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Senate

(Legislative day of Wednesday, July 26, 2006)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable JOHN CORNYN, a Senator from the State of Texas.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Eternal Father, strong to save, we commit to You the Members of this legislative body. Make them faithful in their work and dependent upon Your providence. Guide them in their decisions. Strengthen them for each task. In their moments of perplexity, remind them of their responsibility to bring deliverance to captives and relief to the oppressed.

May they faithfully discharge their duties to You and to country. Let Your blessings rest upon their labors and give them Your peace.

We pray in Your holy Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JOHN CORNYN led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore(Mr. STEVENS).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 27, 2006.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHN CORNYN, a Senator from the State of Texas, to perform the duties of the Chair.

TED STEVENS,
President pro tempore.

Mr. CORNYN thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

GULF OF MEXICO ENERGY SECURITY ACT OF 2006

The ACTING PRESIDENT pro tempore. Under the previous order, the motion to proceed to S. 3711 is agreed to and the Senate will proceed to consideration of the measure, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 3711) to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes.

The ACTING PRESIDENT pro tempore. In my capacity as Senator from Texas, I note the absence of a quorum.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. GREGG. On behalf of the leader, I will read the following statement:

This morning the Senate begins consideration of S. 3711, the Gulf of Mexico Energy Security bill. I now ask unanimous consent that when the bill is reported, it be subject to debate only until 10:45 this morning, with the time equally divided between the two leaders or their designees, and that at 10:45 the majority leader be recognized.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GREGG. Yesterday we had a full day of debate in relation to the Energy Security bill. We anticipate a number of Senators coming to the floor today in order to speak on the substance of the measure. The majority leader has indicated that the Senate could turn to other legislative items today if we are able to reach time agreements on those bills.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, I ask to be recognized on the minority time relative to the debate on S. 2711.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, pending before the Senate is a bill that will allow us to drill in areas of the Gulf of Mexico that currently are not being explored for oil and gas. There is some controversy attached to this proposal—whether this is an environmentally sound decision to go into these areas. The fact is in many parts of the Gulf of Mexico there is currently exploration and drilling for oil and gas, so it is not the same as the debate on the Arctic National Wildlife Refuge in Alaska, where the administration was proposing that we drill in areas that have been protected for over half a century.

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This area of the world and off the coast of the United States has been explored for quite some period of time, and oil and gas have been brought out of it.

It is going to be an interesting debate and a legitimate debate over whether this is the appropriate amount of exploration and whether it is environmentally responsible to do it in this fashion. But we should never believe that this debate is about creating America's energy policy. Sadly, America today—with gasoline prices going through the roof, with no certainty about our future when it comes to energy—does not have a national energy policy.

This administration, for 6 years now, has had an opportunity to come forward with a proposal that would move America away from dependence on foreign oil, but the administration has not done so. The only proposals we have received from them relate to very isolated, narrow issues. One of them I referred to earlier, whether the United States should now start drilling for oil and gas in the Arctic National Wildlife Refuge.

The House and the Senate have rejected that idea on a bipartisan basis. Their belief, which I share, is that we have reached a rather desperate moment in American history if the only way we can look forward in terms of energy self-sufficiency is to start drilling in some of the most environmentally sensitive places in America. That is why I have opposed drilling in ANWR in Alaska. That is why it has been defeated. The majority has felt this is not the way we should go.

This is a different issue. This is about drilling in the Gulf of Mexico.

We will debate it this week and vote on it next week. But we should not believe that passage of this bill is the creation of a national energy policy. The fact is if we pass this bill next week, it will have literally no impact on gasoline prices today and no impact on our dependence on foreign oil. If we are going to address that, we have to do it in a larger context. On the Democratic side of the Senate, we have proposed a bill that will move us forward, looking at the national energy picture and moving us toward breaking our dependence on foreign sources of energy in the future. That is important for us to do.

Today we are so dependent on foreign sources of oil that we are at the mercy of the OPEC cartel, and at the mercy of the major producers we are doing business with in countries around the world buying their oil and gas—and these countries are virtually our sworn enemies. There are many countries in the world that we send billions of dollars to as we buy their oil and gas that turn around and use the money we send against us in the war on terrorism. That is as horrifying as I can think of at the moment, that we would send American dollars to these countries to subsidize terrorist activities. Yet it is happening because we are so dependent on these foreign sources.

What can we do? What should we do? First, we should look at the obvious. Sixty percent of all the oil we bring into the United States of America is used for our cars and trucks. All of us are burning that oil as we drive around America. Sadly, the vehicles we drive in are less fuel efficient and get less fuel economy every single year. The vehicles are heavier, less fuel efficient, and we burn more gallons of gasoline each year to travel the same number of miles we went last year. I am speaking on average. There are some people who have fuel-efficient vehicles, but by and large, when you look at cars and trucks in America, that is the story. It doesn't have to be this way.

In 1975, we faced long lines at gasoline stations with the prospect that OPEC was going to cut off oil to the United States, and our Government made a decision that the first thing we needed to do was to have more fuel-efficient cars and trucks. At that moment in time, the average fuel efficiency of the fleets across America was about 14 miles a gallon. The Government mandated that over the next 10 years manufacturers had to have an average fleet fuel economy of cars that would virtually double to almost 28 miles a gallon in 10 years. The manufacturers of cars and trucks—particularly those in the United States—said it was an impossible goal which we could never reach, and that if we did, it would compromise the safety of the cars we would drive and would invite importation of automobiles into the United States. We did it anyway. We imposed the standard to increase fuel efficiency in America. Between 1975 and 1985 the average fuel economy of cars in America went from 14 miles a gallon to 27.5 miles a gallon. We achieved our goal. We did it without all of the terrible outcomes the opponents had suggested.

What has happened in the 21 years since then? What has happened since 1985 when we reached an average of about 28 miles a gallon for cars in America? Sadly, the fuel efficiency of cars in America has gone down progressively. Now it is around 22 miles a gallon, or 21 miles a gallon, meaning we are driving less fuel-efficient cars today than we were 21 years ago. And, of course, there was the truck loophole. We said when it came to fuel economy we would make an exemption for trucks. Someone invented the concept of a sports utility vehicle, SUV, and we called it a truck. It escaped the requirements of fuel efficiency. We all know those SUVs we are glutting the used car lots in America with, have some of the worst fuel efficiency of any vehicles we drive. They have helped to drive down our efficiency in America and driven up our dependence on imported oil.

A national energy policy has to include more fuel efficiency and fuel economy of cars and trucks we drive—and it can do it.

Recently, my wife and I made a decision about a car. We wanted to buy American and we wanted a hybrid. So we bought a Ford Escape hybrid. It is a good car, clean burning. We get about 28 miles a gallon, which is good but not great. I think we can do a lot better. Many of the cars that are coming in from overseas manufacturers get much better mileage. The people who make cars in America tell us there is no appetite for fuel-efficient cars in the United States. How wrong can they be? Toyota is about to come out with a Camry with a hybrid engine which will get better fuel mileage than most cars in the United States, and there is a 10-month waiting list to buy their cars. It tells me there is an appetite for obvious reasons. People understand gasoline is extremely expensive. If they can reduce their consumption of gasoline, they not only save money, but I think they know intuitively it is a good thing. It reduces the pollution and the greenhouse emissions.

Our failure to have a national energy policy leaves us in a position where we have foreign automobile manufacturers making fuel-efficient cars and hybrid cars and bringing them into the United States and selling them to American consumers who are anxious to buy their products.

The obvious question is, Why don't we have the leadership in Washington on a bipartisan basis that would create standards for fuel efficiency and fuel economy that would move the United States in the right direction on national energy policy? That is an important question. It is not addressed by this bill.

If we are talking about a national energy policy, this bill is not a national energy policy. There are other things which we should do as well. We have a situation in the United States where the oil companies are making outrageous profits. You can always tell when they have stepped over the line because when you open the morning paper, there will be a full-page ad where the major oil companies are explaining that they warrant that profit. Really?

ExxonMobil's second quarter profit jumped to the second highest level for any company in the history of the United States. ExxonMobil said today that it earned $10.36 billion in the second quarter, the second largest quarterly profit ever recorded by a publicly traded U.S. company. The earnings figures were 36 percent above the profit it reported 1 year ago. High oil prices, according to this Associated Press story, helped boost the company's revenue by 12 percent to a level just short of a quarterly record.

Think of this when you go to fill up at the gas pump. You reach into your pocket, pull out your wallet or your purse and pull out the credit card to pay for the gasoline, and the money that is coming right out of your checking account is going to record profits of the oil companies across America.

What has been done in Washington to try to contain these profits, to try to

say that the oil companies are going too far by creating burdens and handicaps on individuals and families and businesses across America? The answer is nothing. Nothing has happened informally. The President has not called in the leaders of these oil companies and said it is not healthy for America's economy for you to be taking so much money out of this economy, driving up inflation, making the cost of business go up so that they have to lay off employees and can't expand if they would like to, and making the burdens for families who have to drive on a regular basis unbearable. The President has not done this. Other Presidents in history have. This President refuses to.

When it comes to the more formal means of turning to those Federal agencies that have the power over these oil companies, they have been virtually silent as Americans and consumers are fuming over what is happening at their gas stations.

I would say to my colleagues in Congress when they go home over this August recess to take some time and talk to the people they represent. Gasoline prices, frankly, are one of the biggest issues that trouble the people across America.

ExxonMobil's report of earnings comes a day after ConocoPhillips said it earned more than $5 billion in the quarter at a time when many drivers in the United States are paying $3 a gallon for gas—and more. ExxonMobil, the world's largest oil company by market cap, said earnings amounted to $1.72 a share in the April-June quarter compared with the profit of $7.64 billion or $1.20 a share a year ago. These results top even Wall Street's expectations. The oil companies are raking in this money at the expense of consumers and businesses across America.

If we want a healthy business climate in this country, we cannot allow one industry—the oil industry—to make outrageous profits at the expense of other businesses as well as the families and individuals across America.

I think what we have before us is a bill that is worthy of debate about drilling in the Gulf of Mexico. It is something we will debate, but we shouldn't believe at the end of the day, even if it is passes, that we have addressed the most serious challenge facing America. We still need a national energy policy.

We should remember two numbers as we engage in this debate. The numbers are 3 and 25. If you look at all of the energy available in the world, the United States has access in the continental United States and offshore to 3 percent of the energy reserves of the world. Yet every year the United States economy consumes 25 percent of the energy that is produced in the world.

We cannot drill our way out of this situation. We have to have environmentally responsible exploration and production, but we also have to deal with conservation and efficiency. It is not just a matter of reducing costs and reducing consumption. There is not another issue that is as important as energy. It is the issue of the environment. We have to understand that as we burn energy, as we destroy this energy for our economic purposes—carbon fuels, for example—we are releasing emissions into the environment. Carbon dioxide, for example, which ultimately form a cloud over our globe, this greenhouse effect which captures the heat of the Sun and warming the planet we live on to the point where we are seeing dramatic climate change in America and around the world. We are finding from those in the private sector who look at this in cold economic terms that decisions are made which suggest we are facing serious problems if we don't do something about it.

When the major insurance companies announce they are not going to write property insurance for many businesses on the gulf coast of the United States because of the severity of the hurricanes we have seen in the last few years, it is a wake-up call to America. When we know that the glaciers are melting, when we know the temperature is going up on this globe we live on, when we know species such as the polar bear are doomed to extinction if we don't make some serious changes, we have to combine this debate on a national energy policy with the national environmental policy that sets a standard—that says to the world engage us in this effort to protect the planet on which we live.

S. 3711 is an interesting and important bill. I am glad we are debating it. But make no mistake; it is not a national energy policy.

I reserve the remainder of my time and yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Georgia.

Mr. ISAKSON. Mr. President, I ask unanimous consent that immediately following my speech and the speech of the Senator from Georgia, Senator CHAMBLISS, that Senator CORNYN be recognized.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks of Mr. ISAKSON and Mr. CHAMBLISS pertaining to the submission of S. Res. 541 are printed in today's RECORD under ''Submitted Resolutions.'')

The PRESIDING OFFICER (Ms. MURKOWSKI). The Senator from Texas.

Mr. CORNYN. Madam President, the Senate is now taking up a very important piece of legislation that would open a huge area in the Gulf of Mexico for deepwater exploration for oil and natural gas. I am proud to be a cosponsor of this important legislation and believe it is long overdue.

At the same time, I am amazed when I hear our friends on the other side of the aisle. The Democratic whip this morning said this was an interesting proposal and he hoped we would have a good debate. I agree with both of those things. What he said I disagree with is that this is not about a national energy policy. He criticized the Federal Government not having a national energy policy.

This is about a national energy policy. This is about eliminating the moratoria we have created ourselves that have prevented the United States from relying more on domestic production of oil and gas and relying less on imported energy from places in trouble, regions of the world such as the Middle East.

As the current occupant of the chair knows, she and the senior Senator from Alaska have been fighting for years to open the Arctic National Wildlife Refuge for exploration and development. This is something that not only do Alaskans support but that would provide a tremendous boom to the United States in terms of our ability to develop domestic energy resources.

However, time and time again, for countless years, our friends on the other side of the aisle have said no, we cannot do that because it will damage the environment, it will disturb the flora and the fauna in that region of the world.

The fact is, it is possible for us to explore and develop domestic energy supplies in an environmentally sound way. Modern drilling techniques and production techniques are entirely compatible with preserving the environment and avoiding the kind of calamities that some want to scare the American people into believing would be routine.

I suggest this bill is all about developing a national energy policy. It is important to reducing our dependence on imported energy. In fact, it is estimated when lease 181 is developed, it will produce 1.26 billion barrels of oil, oil that is now selling for $75 a barrel on the open market.

We all know Congress can pass a lot of laws. We can repeal a lot of laws. But the one law we cannot repeal is the law of supply and demand. In a booming economy in the United States, and countries such as China growing at a rate of 10 percent, we know the demand for oil and gas has increased. The problem is, the supply has not. This would pinpoint the solution at the only way we know we can deal with this in terms of supply, and that is increase it by 1.26 billion barrels of oil and—this is significant, too—5.8 trillion cubic feet of natural gas.

Natural gas is not only important because it is relatively clean burning, but it also is feedstock in a number of critical manufacturing industries in the United States. It is critical for our farmers and ranchers, but the price of natural gas has gone through the roof—again, because of huge demand and limited supply.

So it is absolutely critical to our ability to reduce our dependence on imported energy to both improve our national security and improve the prospects for our economy that we pass this legislation.

My colleague from Illinois, the distinguished Democratic whip, also said the answer is not to open places such as ANWR, it is to pass mandates from Washington on more fuel-efficient vehicles. I am all for people having the choice to buy vehicles that give them extended gas mileage, but I am against Washington, DC, mandating through some directive that says to my constituents in Texas, you can only drive a certain kind of car. I believe we ought to have the freedom of choice and that Congress should not be in the business of mandating what kind of cars we drive in my State or any State.

Finally, he mentioned that big bugaboo we hear and read so much about, global warming, another scare tactic that is used often to convince people that, no, we can't develop our domestic energy supply, we can't contribute more to the production of CO_2 in the atmosphere because it will exacerbate global warming. We are all worried about global warming. The fact is, there is some debate in science about what the causes of the current warming of the atmosphere are, whether they are periodic and we are seeing a spike now, a small spike now, but it will work out.

The main problem with the solutions that have been offered to address global warming is that most of the proponents penalize the United States and damage the American economy by subjecting us to onerous regulations that would not apply to some of our major competitors in the world, countries such as China and India that would not be subject, for example, to the Kyoto Treaty that was overwhelmingly rejected by the Senate the last time we considered that issue.

Rather than saying no, rather than blocking and blaming, what S. 3711 does is enormously positive. It has done a great job. I have to give a lot of credit to the Senator from Louisiana who has helped shepherd this bill to this point so far. This is a bipartisan bill which is the way we should do things more often, but this provides a very real solution to a very real problem. It is true we cannot rely on developing more oil and gas supply, but that is certainly what we have to do in the near term to midterm. We cannot rely solely on conservation.

I am all for conserving our energy supply, avoiding waste that can be avoided. I also think we ought to look for alternative fuels such as ethanol. They make a lot of sense as part of an overall energy diversity program. I think energy diversity should be our national policy because if we rely on one type of fuel or if we rely on one policy, such as conservation, we cannot hope to get ahead of the curve when it comes to the growing demand not just in the United States of America but countries such as China that are growing at the rate of 10 percent a year, and other competitors in the world economy.

So we have to look at conservation. We have to look at additional supply. We have to look at alternative forms of fuels, renewables. Texas just moved ahead of California in terms of production of wind energy. That certainly has a lot of promise. It is not the only solution, but it is a part of the overall solution. Then, of course, we have to look at developing nuclear energy in this country. France, hardly a model that I would hold up in some areas, is a model when it comes to dealing with nuclear energy. America produces about 20 percent of our electricity from nuclear power. France, on the other hand, produces 80 percent of their electricity using nuclear power. They have figured out that one way to address the environmental concerns but also produce the kind of energy that a growing economy needs is nuclear power.

Thank goodness in the Energy bill we passed last year, we have now the prospect of nuclear energy taking over more and more of the demand for our energy supply in the United States.

So I believe this is an enormously important piece of legislation. It does provide a part of the solution to our overall challenge. It will have a very direct impact on the prices that consumers pay at the gas pump because most of the cost of gasoline is related to the price of oil. We know that is not the only cause of high gas prices. Another problem is we have seen some block the development of refinery capacity, and we have had no new refineries which are what transmute the oil into gasoline. We have not had any new refineries built in this country since the early 1970s, although we have seen a recent expansion of existing refining capacity which has helped.

But, here again, America is no longer the principal consumer of energy in the world. We are just one of a number of large competitors for the same scarce supply. So it is absolutely critical we undertake measures such as this as part of our national energy policy. So I would disagree respectfully with my colleague from Illinois, the distinguished Democratic whip. This is all about a national energy policy, and it is a part of what we must do if we are going to keep our commitments to the American people to try to help them keep more of the money they earn and let them spend it as they see fit and not have to spend it on rapidly escalating gasoline prices and other energy prices that not only hurt consumers but also make America less competitive in the global economy.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

Mr. NELSON of Florida. Madam President, we are on a subject that is near and dear to the heart of the Senator from Florida—both Senators from Florida. It is a subject of which, a year ago, in bringing up an energy bill, there was an attempt to drill off the coast of Florida, and this Senator had to start his first filibuster. We were able to resolve that with the help of the distinguished senior Senator from New Mexico, Mr. DOMENICI, who, true to his word, let the Energy bill go on without bringing up the portions with regard to drilling off of Florida when it went to conference with the House of Representatives. And I have thanked Senator DOMENICI many times on this floor for being a man of his word.

I must say, in the negotiations that have brought this legislation to the floor now, I give great credit to the senior Senator from Louisiana, Ms. LANDRIEU, in looking out for the interests of her State in receiving revenue—what would come from new drilling that this legislation addresses not only for Texas, Alabama, Mississippi, but especially for Louisiana. It addresses those revenue needs that the State needs since it is losing all of those wetlands. We saw the results of that in the great tragedy of Hurricane Katrina a year ago. So I give great credit to Senator LANDRIEU.

But I also give great credit to Senator LANDRIEU because she knew the interests of Florida had to be protected in order for her to get an agreement because both Senators from Florida were willing to filibuster any legislation that threatened the interests of Florida. To her great credit—Senator LANDRIEU's—she worked with the two Senators from Florida. She also worked with the other gulf coast Senators. And what has been crafted is a piece of legislation that addresses just the Gulf of Mexico.

Now, you might wonder: Why does Florida not want its waters off the coast of Florida to be drilled? Well, this Senator is going to explain that. Certainly, there are economic interests with a $57 billion a year tourism industry that depends on pristine beaches. Certainly, there is the delicate environment—the 10,000 Islands, the Big Bend area, the bays and estuaries, Apalachicola Bay—all of these environmental areas that are so delicate to the ecology of the oceans where so much marine life is spawned.

But there is another big reason that most people do not understand, and it is right here as shown on this chart. Most people do not realize that the entire Gulf of Mexico off of Florida is restricted airspace. Why? Because this is the largest testing and training area in the world for the U.S. military. All of this area has restricted air use and naval use.

You wonder: When the U.S. Atlantic fleet training in Vieques—the little island off the eastern end of Puerto Rico—when it was shut down, why did most of that training come to Florida? It is because you can do combined air-sea exercises and land exercises from Eglin Air Force Base, Pensacola NAS—Naval Air Station Pensacola. Squadrons of Navy F–18s come down and spend 2 weeks, 3 weeks at a time, and are stationed there because when they lift off out of Key West NAS, within 2 minutes they are over restricted airspace where they can go about their training.

So here is a large part of the reason—as shown right here on the chart—why there is no drilling off the west coast of Florida in the Gulf of Mexico. The importance of what is called the Eglin Air Force Base Gulf Test and Training Range has been emphasized in the letter that was received by the Senate Armed Services Committee, signed by the Secretary of Defense, Don Rumsfeld. That letter was delivered to the committee last November, in which he says: You cannot have oil and gas rigs out here where we are testing and training sophisticated weapons systems, and where we are training our pilots—Air Force and Navy pilots—and where we now will have the F–35 all-pilot training for the new Joint Strike Fighter, the F–35 for all branches of service, all out here because of that restricted space. So Secretary Rumsfeld made it very clear: You cannot have oil and gas rigs.

I remember the Senator from New York, Mr. SCHUMER, one day said: Why should Florida be protected? Here, this is the reason. This is the historical reason, in addition to the reasons of the environment, as well as the economy of Florida in protecting our tourism industry.

So this is what we are dealing with, as shown on this chart. All of the yellow on this chart off the State of Florida is going to be protected until the year 2022. That is three planning periods of 5 years each. That is 15 years after the planning period of 2007 kicks in. All of that area—which is 125 miles from Fort Walton, it is 100 miles from Perdido Key, 100 miles off of the Alabama coast right here. Then it comes around, and it then follows this critical line, this black line that is called the military mission line, a military mission line that was established in 1981 by the Department of Defense in that they said they wanted no drilling east of that line. Therefore, that line becomes the critical line, of which you see that most of the area of Florida, then, is protected from drilling. And that is all the way through the year 2022.

That area, by the way—from this point off of Clearwater, which is in the Tampa Bay area—is 235 miles due west of the Tampa Bay area beaches. For Naples, it is in excess of 300 miles. No drilling. So you can see the protection for Florida also happens to be the protection for the U.S. military in these ranges.

Now, we have had people come to the floor and say they are concerned about this going down to the House. The House-passed bill basically lifts the moratorium for drilling off the Outer Continental Shelf of the entire United States—the Pacific coast, the Atlantic coast, and so forth.

I want to speak about the assurances I have been given when this bill will leave here and go to the House of Representatives. But let me tell you why this bill only deals with the Gulf of Mexico. From Florida's standpoint, from the military's standpoint, from the Nation's defense standpoint, we do not want to lift the moratorium and have drilling off the east coast of Florida and the rest of the southeastern United States because, look right here on this chart. Here is another major Air Force and Navy training area off the northeast coast of Florida and off the east coast of Georgia. In addition, right there is a place called Cape Canaveral. The Cape Canaveral Air Force Station is where we launch our rockets to put all of our satellites, our defense satellites, into equatorial orbit.

You can't have oil rigs out here where you are dropping the first stages of the expendable booster rockets that are putting our highly sophisticated and highly classified defense payloads into equatorial orbit. Just to the north of Cape Canaveral is a place called the Kennedy Space Center. It happens to have launch pad 39A and launch pad 39B from which we launch the space shuttle and, after the year 2012, it is estimated we will launch the new space vehicle called the Crew Exploration Vehicle. You can't have oil rigs out here where we are dropping the solid rocket boosters from the space shuttle when we launch, those two big candlesticks on either side of the external tank of the space shuttle. After they have expended their fuel 2 minutes into flight, they separate from the space shuttle and parachute back into the Atlantic Ocean. They are then brought back in, refurbished, and reused. You can't have oil rigs out here.

So as people talk about wanting drilling off the east coast of Florida, which this legislation in front of us does not address but the House bill does address, you can't do that out here with an interest of the Nation at stake—the military preparedness plus the defense of this country, with the important payloads that we are launching out of the Cape Canaveral Air Force Station, as well as the Kennedy Space Center. When people say that this legislation we are passing in the Senate does not address protections of the east coast, the east coast isn't a threat. Right now the east coast is under a moratorium until the year 2012. That is not where the threat is. The threat is here in the Gulf of Mexico. That is why we have the legislation before us that we do. That is why this Senator is coming to the floor to announce my support for this legislation, which I have helped craft and on which I have waited until today, until I had assurances that this legislation was not going to be in any significant way changed when it leaves this Chamber and goes down to the House.

What are those assurances? I have been authorized to say from the majority leader, Senator FRIST—and I am reading from an e-mail to me. This is a quote Senator FRIST sent to me today—

The Senate bill is a carefully crafted compromise and I believe it represents what is achievable in the Senate this year. I will not bring a bill back before the Senate that does not provide adequate protections to the State of Florida. I look forward to working with both Florida Senators to achieve this goal.

Yesterday, I spoke personally to Senator FRIST on the telephone. He told me he would do everything within his ability to keep it to the Senate version when the bill returns to the Senate. That is a pretty good assurance for this Senator to protect the interests of Florida.

I went to our leader on this side of the aisle, the Democratic leader, and Senator REID has written a letter to me:

Dear Senator Nelson:

It is my expectation that the House of Representatives will accept S. 3711 as passed by the Senate without amending it and without modifying it in a conference committee. If the House does not accept the Senate bill as passed, I will join other Senators and Senator Nelson and produce the votes to sustain a filibuster to prevent the passage of the bill when it would return to the Senate.

That is the end of the quote from Senator REID's letter.

Around here, you have to take a man at his word. I accept the word and the assurances of the two great leaders of our two great parties in protecting the interests of Florida. I am prepared to come and support this legislation and to thank the leadership on both sides as they have worked with the two Senators from Florida to try to do what is right for the country.

In the legislation that addresses the drilling, there is another important component for Florida; that is, there are a few leases out in this area from years past, decades past, that have never been drilled because they have never gotten the permits because of all that we have been going through, keeping these waters protected in a moratorium. Senator LANDRIEU has crafted a portion of the bill that revenue will go to four Gulf States from the revenue generated to the Federal Government from new leases. The interest of Florida, since there won't be drilling, is to get rid of the ancient leases that are never going to be drilled. So there is a provision in the legislation that will allow the swapping of these leases by their value for new leases in the area that can be drilled in what is called lease sale 181, and other leases in the central and western Gulf of Mexico, new leases that we want to be drilled where a swap would occur.

The PRESIDING OFFICER. The minority's time has expired.

Mr. NELSON of Florida. People say that is voluntary for the oil companies.

The PRESIDING OFFICER. The time of the minority has expired.

Mr. NELSON of Florida. I ask unanimous consent for 3 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON of Florida. You would ask, if it is voluntary, why would they do it? Because there is a financial incentive for oil companies who want to pay for new drilling in 181 or elsewhere

in the central or western gulf, not to pay that by swapping out their financial interest in these ancient leases that are still here. They are of minor value compared to the entire value of the leases elsewhere in the Gulf of Mexico, but nevertheless that is there.

Why it is important that we keep the Senate bill intact and not expand it with any version of the House is because the House-passed legislation works for the Gulf of Mexico, but the House-passed version lifts the moratorium for the entire country and allows, with State legislative approval, drilling to come up to 3 miles off the coast of a State. Of course, Atlantic seaboard Senators, Pacific Ocean Senators, would be violently opposed to that, and then the Senators who start realizing that it starts getting into their military- restricted areas, their defense-restricted areas, would find that enormously objectionable. That is another reason we need to keep this legislation intact as it goes to the House and then comes back to the Senate.

My colleague from Florida, Senator MARTINEZ, has made several statements on the floor—and it is my understanding that he will again—that he is given assurances that the protection of Florida will be there when this legislation comes back from the House. It is the privilege of this Senator from Florida to support this legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Madam President, I am glad to hear the remarks of the Senator from Florida, and I am glad that he feels able to support this legislation. It is something I have worked on for quite a number of years and supported as a Senator from Alabama. We have a lot of oil and gas right off our coast. We believe this could be done safely and be great for the country economically. I am pleased that the distinguished Senator believes he can support this bill. We do have to work with the House of Representatives. They do have input in the legislation. But, hopefully, when all that is settled, we will have something we can pass. It is critical for our economy.

I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. SESSIONS are located in today's RECORD under ''Morning Business.''

The PRESIDING OFFICER. The majority leader is recognized.

Mr. FRIST. Madam President, we are on the Gulf of Mexico energy security bill, a bill that has been very carefully crafted in a bipartisan way. It has been our approach from the outset. One of the real challenges we have is taking a bill which is delicate, in the sense that it has been carefully crafted, vetted, and addressed for the last year—and there are many other people who would like to add other energy amendments or bills to this single, focused step, this being built upon the comprehensive energy bill, a bipartisan bill that was passed a year ago this week. So it is a challenge to keep the body focused on this issue. In doing so, there are procedures here shortly that are important to accomplish delivering as many as a billion barrels of oil to the American people and over 5 trillion cubic feet of natural gas, enough gas to heat or cool 6 million homes for 15 years. We have it within our grasp.

We had a good vote yesterday morning in terms of getting on the legislation, which we are on, and now, from a leadership standpoint, we have to stay focused on this bill, even though there are a lot of other good ideas out there, and complete this step and our action in the Senate. Thus, I will go through a series of steps here, and we will have comments on that.

AMENDMENT NO. 4713

Mr. FRIST. Madam President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. FRIST] proposes an amendment numbered 4713.

Mr. FRIST. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end insert the following:

The effective date shall be 2 days after the date of enactment.

Mr. FRIST. Madam President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4714 TO AMENDMENT NO. 4713

Mr. FRIST. Madam President, I send a second-degree amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. FRIST] proposes an amendment numbered 4714 to amendment No. 4713.

Mr. FRIST. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On line 1, strike ''2 days'' and insert ''1 day''.

CLOTURE MOTION

Mr. FRIST. Madam President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The clerk will report the cloture motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 529, S. 3711: A bill to enhance the energy independence and security of the United States by providing for exploration, development, and production activities for mineral resources in the Gulf of Mexico, and for other purposes.

Bill Frist, Pete Domenici, Richard G. Lugar, Mitch McConnell, Kay Bailey Hutchison, Jim Bunning, Trent Lott, Christopher S. Bond, Tom Coburn, Wayne Allard, David Vitter, Mel Martinez, Thad Cochran, Jim DeMint, John Cornyn, Lindsey Graham, Jeff Sessions.

Mr. FRIST. Madam President, I ask unanimous consent that the live quorum be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Madam President, this cloture vote will occur on Monday. We have not set the specific timing, but I anticipate that vote would be at 5:30. We will set the exact time later today.

This will be a very important vote, and it is critical that Senators be here, and they should prepare to be here at 5:30. We will announce the specific time later today. I ask them to adjust their schedules accordingly. In all likelihood, we will be voting on Monday. I hope they have adjusted their schedules accordingly.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. REID. Madam President, I have expressed to the majority leader my disappointment in not allowing amendments on this bill. We had agreed to just have five, with time agreements on each of those. The leader decided not to do that. I think that is unfortunate. I hope that, moving beyond that, we can have a better idea of what we are going to do for the rest of the work period.

The majority leader indicated to me that he has a very important meeting shortly after lunch, and he will indicate to me at that time more of a direction as to what we can expect this afternoon, tomorrow, and the rest of the work period before the August recess.

I also want the record to reflect, as I said yesterday, that I appreciate the cooperation of Senator BINGAMAN. Without his agreement, this parliamentary situation we find ourselves in would not have occurred until late this evening. This will allow us this afternoon the possibility of doing other work. So I appreciate very much Senator BINGAMAN being his normal cooperative person. He has strong feelings about this legislation. He expressed them to me personally and on the Senate floor. But he is always someone who works for the good of the Senate. I appreciate that very much.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. BINGAMAN. Madam President, while the majority leader is still here, I understand the procedure he has followed, and that is to do what we refer to here as ''filling the tree'' with amendments so that other amendments cannot be offered.

I ask unanimous consent that the pending amendment be set aside so that I may be able to offer an amendment.

The PRESIDING OFFICER. Is there objection?

Mr. FRIST. Madam President, reserving the right to object, filling the tree is the procedure I have used in order to accomplish what is a very important next step in building on, as I said, the comprehensive Energy bill the managers worked for last year, which has been tremendously successful as we look at alternative energy, such as ethanol or, in the future, nuclear and biomass, looking at the supply side and the consumption side of the equation. What is challenging in floor management is being able to now build upon that bill from last year and take one step at a time.

As we are commenting on this now, there are so many good proposals, substantive proposals, that would help our dependence on foreign sources of oil. We are 60 percent dependent today on foreign sources of oil. We have to change that by lessening our energy dependence with homegrown energy. That is what we will be able to do on the floor today in this carefully crafted, focused, very discrete bill that looks at the Gulf of Mexico, which has revenue sharing that has been carefully worked out with Members in this body for the last 6 to 7 months in terms of the specifics. With that, we will be able to deliver this bill to the American people and address the squeeze we know they are feeling today when they are filling up the tractor or the car or preparing to go on vacation or air-conditioning their homes or heating their homes at other times of the year.

With that being the approach, I will object to setting aside the amendments because it would mean actually trying to decide among many good proposals that would come to the floor—and it is not that they are not good or they won't be addressed in the future. We are going to keep this bill focused, tight, and clean.

I object.

The PRESIDING OFFICER. Objection is heard.

Mr. BINGAMAN. Hearing objection, I wish to take a few minutes and explain the amendment I was intending to offer so that Senators will understand what the alternatives are that we could be considering today.

Madam President, just to pick up on the point the majority leader was making, I certainly want to build on the good work we did in this body last year with the passage of the Energy Act of 2005. I believe very strongly that the way to do that is to have an open process, allow Members to offer amendments, allow those amendments to be voted on, and see what the will of the Senate is. Unfortunately, that is not the process which is being used in connection with S. 3711.

I stated extensively yesterday the substantive reasons I think S. 3711 is not good legislation, and I will repeat a few of those points.

Let me talk about the amendment I wanted to offer this morning. The amendment I was going to offer consists of the text of S. 2253, which is the legislation we reported out of the Senate Energy and Natural Resources Committee on a bipartisan basis in March. My amendment would take that language and it would modify it to add the so-called 181 south area for leasing.

Let me put up a chart so everybody knows what is involved here. The white area on this chart, the box there, is the area that we proposed in our Energy Committee bill that we reported to the floor to open for leasing. That thatched area to the right of that, to the east of that on the map, is an area which would be open with the consent of the Secretary of Defense or under appropriate circumstances and conditions which would be specified by the Secretary of Defense. That is what our bill called for.

As I say, I would propose in this amendment, if I were able to offer it, to add the yellow area below that which is now being referred to as 181 south.

The legislation we came out of committee with and I would desire to have us consider on the floor today would require that the lease sale be conducted within a year. It would provide that leasing in the 181 area south be done as soon as practicable after the date of enactment.

Overall, the amendment I would like to have been able to offer would make available 7.37 trillion cubic feet of natural gas and 1.58 billion barrels of oil. These are substantially more energy resources than the 5.83 trillion cubic feet of natural gas and the 1.26 billion barrels of oil made available under the pending legislation; that is, S. 3711.

At the same time, the legislation we came out of committee with and that I wish we were able to consider on the floor would provide there would be no leasing closer than 100 miles from the Florida coast at any point and leasing east of the military mission line under the bill, as I indicated, could only occur with the prior consent and agreement of the Secretary of Defense.

The 1-year timeframe for conducting the lease sale in this 181 area is intended to allow for full compliance with all environmental laws. The amendment does not impose any new leasing moratorium, such as the pending bill would. Also, it does not divert revenue from the Federal Treasury to four coastal States, as the pending bill proposes to do.

Earlier this year, I was pleased to work with Senator DOMENICI to develop and introduce S. 2253. That is the basis of the amendment I am offering. We had a hearing on the bill in committee. We reported the bill with a very strong bipartisan vote.

However, after the committee reported its legislation, several colleagues indicated they had problems with this bill, in particular my colleagues from Florida, who sought a new long-term moratorium off the Florida coast, which has been agreed to by those who are now advocating the pending legislation—this is a 16-year moratorium in a very large area—and my colleagues from other Gulf Coast States have insisted upon a provision that cedes to their States Federal revenues for oil and gas produced in the Federal Outer Continental Shelf off their coasts. Thus, S. 3711, which was written by Senators DOMENICI, LANDRIEU, and others, includes significant new provisions that I believe undermine the goals of our original bill.

I am disappointed we did not have a chance to vote on the bill which was reported out of the committee. I believe the Senate would have acted favorably on that bill had it been given an opportunity to do so.

S. 2253 is good energy policy; it is responsible fiscal policy. S. 2253 would have resulted in oil and gas being produced without locking up vast areas of the Outer Continental Shelf and without raiding the Federal Treasury at the same time.

As I stated in the Senate yesterday, because S. 3711, which is the pending bill, locks up these vast areas of the Outer Continental Shelf off the coast of Florida, and because the bill provides for the sharing of billions of dollars in Federal revenues, I must strongly oppose it.

The pending bill, S. 3711, expands areas under moratoria and sets precedence for imposing new long-term congressional moratoria.

This next chart is the one many Senators have been using to make many different arguments on the Senate floor, but the point is very clear when one looks at this chart. There is a vast area, the yellow area on the chart, that is being put off limits to oil and gas development for a very substantial period, 16 years, longer than virtually any of us are likely to be in the Senate.

The Department proposed, as I understand it, in return for gaining access to 2.76 trillion cubic feet of natural gas over what the Interior Department proposed—this bill currently pending in the Senate puts 21.83 trillion cubic feet of natural gas off limits until 2022. I think that is a mistake. I think it is a bad deal for America.

Two of these areas within the original 181 lease sale area that are more than 100 miles off the Florida coast would be offered for lease under my amendment. And most importantly, my amendment would not impose any new moratoria on Outer Continental Shelf leasing.

Likewise, the amendment I would offer would not include the ceding of Federal revenues to the four Gulf Coast States.

Let me make it very clear: I recognize there are needs to protect the wetlands along the gulf coast, and I recognize that the Federal Government should provide assistance to these

States to accomplish that wetland restoration and protection work. But I believe very strongly that should be money that comes out of the Federal Treasury. We should not be taking a stream of revenue that has historically always gone into the Federal Treasury—that is, royalty from production in the Outer Continental Shelf—we should not take that stream of revenue and divert a substantial portion of it directly to those States. We should, instead, bring those funds into the Federal Treasury, determine what the needs are for those States and for other communities in the country, and then appropriate the funds appropriately to meet those needs.

That is my strong view. That is what the amendment I would have offered would contemplate, that is what current law contemplates, and that is what the Supreme Court has always said was the appropriate course. Of course, I cited former President Truman and his strong position, which is consistent with the position I am advocating today.

In summary, the amendment I would like to have offered this morning, if the majority leader had not blocked our ability procedurally to offer amendments, would open this area called 181 south and also a larger portion of the 181 area originally than the pending legislation proposes to do. There would be an additional 1.5 trillion cubic feet of natural gas made available. There would be an additional 300 million barrels of oil made available for our Nation over and above what is being made available under S. 3711.

The amendment would accomplish this in a manner that protects Florida's coast without imposing new leasing moratoria. It would also do so in a manner that protects the fiscal interests of our Nation. I regret I am not able to offer the amendment today for consideration.

Moreover, the amendment would achieve greater oil and gas production without setting dangerous precedents. I think one of the most disturbing things about what the Senate is preparing to do, if it goes forward and adopts S. 3711, is that we are setting precedents, both for putting areas off limits to production for long periods of time—a 16-year statutory moratorium—for areas that have not been subject to statutory moratorium, in some cases at all. I think that is a big mistake. I think the precedent we are setting with regard to so-called revenuesharing or ceding of revenues, Federal production revenues and royalties to coastal States is also a very major mistake, and it sets a very bad precedent which will come back to haunt us.

I know very well that the other Senators who represent coastal States will in the future come to this Senate floor and insist, as the Senators from these four Gulf Coast States have insisted, that if production is going forward off their coasts, their States are entitled to Federal revenue as well.

This is bad policy. This is bad energy policy. It is bad fiscal policy. It is a course of action that I believe the Nation will regret in future years if we go forward with it.

I am disappointed that there is no place in this debate for us to offer amendments to correct the policy. I am also disappointed that there is no place in this debate for us to address other important energy-related issues. We should be proposing amendments to this legislation with regard to energy efficiency. We should be considering the legislation that Senators OBAMA and LUGAR have proposed with regard to vehicle fuel efficiency. We should be considering a variety of bills—S. 2747, the Enhanced Energy Security Act, which tries to put in place a variety of provisions that would add to the efficiency with which we use energy in this country. All of those are legitimate issues we should be able to address by amendment to the Energy bill on the Senate floor.

In fact, if we were building on the Energy Policy Act work this Congress did last year in the first session of this Congress, we would be, in fact, allowing those other very meritorious amendments to be considered as part of our debate as well.

I regret that. I regret the decision of the majority leader to deny us the right to offer amendments.

Madam President, I ask unanimous consent my amendment be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

(Purpose: To provide a complete substitute)

Strike all after the enacting clause and insert the following:

SECTION 1. OFFSHORE OIL AND GAS LEASING IN 181 AREA AND 181 SOUTH AREA OF GULF OF MEXICO.

(a) DEFINITIONS.—In this section:

(1) 181 AREA.—The term ''181 Area'' means the area identified in map 15, page 58, of the Proposed Final Outer Continental Shelf Oil and Gas Leasing Program for 1997–2002 of the Minerals Management Service.

(2) 181 SOUTH AREA.—The term ''181 South Area'' means any area—

(A) located—

(i) south of the 181 Area;

(ii) west of the Military Mission Line; and

(iii) in the Central Gulf of Mexico Planning Area of the outer Continental Shelf, as designated in the document entitled ''Draft Proposed Program Outer Continental Shelf Oil and Gas Leasing Program 2007–2012'', dated February 2006;

(B) excluded from the Proposed Final Outer Continental Shelf Oil and Gas Leasing Program for 1997–2002, dated August 1996, of the Minerals Management Service; and

(C) included in the areas considered for oil and gas leasing, as identified in map 8, page 37 of the document entitled ''Draft Proposed Program Outer Continental Shelf Oil and Gas Leasing Program 2007–2012'', dated February 2006.

(3) MILITARY MISSION LINE.—The term ''Military Mission Line'' means the north-south line at 86°41′ W. longitude.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior, acting through the Minerals Management Service.

(b) 181 AREA LEASE SALE.—Except as otherwise provided in this section, the Secretary shall offer the 181 Area for oil and gas leasing pursuant to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) as soon as practicable, but not later than 1 year, after the date of enactment of this Act.

(c) 181 SOUTH AREA LEASE SALE.—The Secretary shall offer the 181 South Area for oil and gas leasing pursuant to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) as soon as practicable after the date of enactment of this Act.

(d) EXCLUDED AREAS.—In carrying out this section, the Secretary shall not offer for oil and gas leasing—

(1) any area east of the Military Mission Line, unless the Secretary of Defense agrees in writing before the area is offered for lease that the area can be developed in a manner that will not interfere with military activities; or

(2) any area that is within 100 miles of the coastline of the State of Florida.

(e) LEASING PROGRAM.—The 181 Area and 181 South Area shall be offered for lease under this section notwithstanding the omission of the 181 Area or the 181 South Area from any outer Continental Shelf leasing program under section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344).

(f) CONFORMING AMENDMENT.—Section 105 of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006 (Public Law 109–54; 119 Stat. 522) is amended by inserting ''(other than the 181 South Area (as defined in section 2 of the Gulf of Mexico Energy Security Act of 2006))'' after ''lands located outside Sale 181''.

Mr. BINGAMAN. I yield the floor.

The PRESIDING OFFICER (Mr. ENSIGN). The Senator from Louisiana.

Mr. VITTER. Mr. President, I rise today in strong support of S. 3711, and I specifically rise in strong support of the majority leader's actions to ensure that we have a focused debate on the carefully crafted provisions of S. 3711 and not be thrown off track by numerous amendments about all sorts of ancillary energy and other issues because I rise in support of actually doing something, not merely talking about everything, as the Senate so often wants to do, and at the end of the day doing nothing. That is the choice we have.

The choice is what we so often do: Talk about everything under the Sun, have wide-ranging debates. This body is a great debating society, but at the end of the day does nothing. The other choice is focusing on the carefully crafted provisions of S. 3711, having a fair debate on those provisions and passing it into law, doing something concrete, real, meaningful, that will have an impact soon on people's wallets, on people's pocketbooks, on our energy future.

That is what this choice is all about, and I stand strongly for doing something and not just talking a good game. What is it we would be doing, Mr. President?

Well, S. 3711 would be doing more to secure our supply of domestic energy than anything we have done in a long time. It is not everything under the Sun, it is not a silver bullet, it is not a magic wand, but it is a major, concrete, specific step forward that would help secure our energy future. What is that? It is 8.3 million acres of area in

the gulf opened to exploration and production for the first time ever; 1.26 billion barrels of oil, brandnew production; and 5.83 trillion cubic feet of natural gas, brandnew production. That is doing something, and that is doing something that will have an impact on our energy future—not in 20 years, not in 10 years, but very soon.

We will see this production in a few years and we could see its impact on prices even sooner than that. As folks in the energy industry recognize that we are opening this brandnew area to both oil and gas exploration, we could see a positive impact, bringing prices down even sooner than the production would begin.

So I am in support of doing something strong, concrete, and meaningful—not just talking a good game and, at the end of the day, doing nothing.

The distinguished Senator from New Mexico made some points in opposition to this proposal. He said it was very regrettable that he and others were not completely open to propose any amendment with regard to this bill. Let's not kid ourselves. Let's understand what is going on here. The distinguished Senator is absolutely flat out against the central provisions of this bill. His effort is to gut this attempt at moving us forward in terms of energy independence. He would take out of this bill one of its most central and important components: royalty share.

It is easy for him to take this position. His State of New Mexico gets enormous Federal revenue from production onshore on Federal land. Everything that is produced on Federal land in his State—as in any other State—his State gets 50 percent of that royalty. So it is very easy for him to take the position that offshore should be a completely different situation; offshore should be zero. That doesn't affect his constant revenue stream for States such as his in New Mexico or for States such as Wyoming, where 50 percent of the revenue from onshore mineral production royalty is going directly to his State coffers.

In addition, if you look at the 50-percent Federal share, most of that goes to a Federal fund that goes back to the States in terms of land reclamation as well, so that all told, 90 percent of that royalty produced on Federal land in his State essentially goes back to the States. So he has a very convenient situation in his State which has been that way for years. It is very easy for him to protect that but, at the same time, block coastal States from having a similar situation.

But there is no good reason we should do that. We should equalize the playing field. We should make Federal policy equal and right. Look at last year, 2005. Federal offshore production yielded, in terms of Federal revenue, $6.32 billion. Of that enormous total—$6.32 billion—only $75 million went to the States in terms of a royalty share. Compare that to the situation of the Senator from New Mexico. Federal onshore revenue for that same year yielded $3.5 billion of royalties, and half of that went to the States—$1.75 billion went to the States of New Mexico and Wyoming and many other States.

So, of course, it is easy for the Senator from New Mexico to protect what he already has but try to deny it to coastal States. The fact is the impacts are the same, and the impacts are dramatic. He talked about them himself, the dramatic negative impacts with regard to coastal erosion and other impacts on the Louisiana coastline and all of the coastlines of the Gulf States. That is one of the primary reasons we have royalty share at the heart of this bill, which the Senator from New Mexico would strip out with his amendment.

But that is not the only reason we have that royalty-sharing provision in the bill. The predominant reason is the overarching national reason, the reason that will promote our energy independence in the future, and that is simple. If we allow coastal States to share in the royalty obtained from production off their shores, we can change the dynamics dramatically. That will change the not-in-my-backyard attitude of so many coastal States and usher in more domestic production in the future. That is the model we are building with S. 3711, the positive model that will do, over time, even more than what this bill alone does, opening up 8.3 million acres, 5.83 trillion cubic feet of natural gas, and 1.26 billion barrels of oil. That is what the bill itself does. That is significant. That is concrete and positive. But when we put this model in place of sharing royalties with the appropriate coastal States, then we open possibilities in the future even more. That is why this royalty-sharing provision is so central and so important to this bill. It is a new model to get us to greater energy independence, to get us away from the pervasive not-in-my-backyard mentality that has gripped virtually every State around the country and has shut off area after area after area to offshore oil and gas production.

This bill will do all of those things in a fair and reasonable way. It will open new areas of land to production, it will open enormous new energy assets, and it will create this model that we can build on in the future to create more energy independence for our Nation. That is what we so desperately lack.

As I said at the beginning, this body is very good at debating, at talking, endlessly sometimes, about every proposal under the Sun, but so often at the end of the day we do nothing after those endless debates. This is an opportunity to do something real and concrete, and to create a model that will provoke even more action in the future. Because we can have endless debates in this Chamber about securing our energy independence, and every Senator here in the context of this debate will likely come to the floor and talk about his or her commitment to securing our energy independence, what are we going to do about it? If we don't change the dynamics of our energy policy, the not-in-my-backyard mentality, which has put a stranglehold on us for years, will continue to survive. But if we change the model, if we allow coastal States to share in the royalties produced from production off their own shores, give them the decision and give them some of the benefits, then we will change the dynamics and, in my opinion, over the next 10 years open significant new areas to offshore oil and gas production and significantly increase our energy independence.

That is why S. 3711 is so important. It does something real and meaningful and concrete right away. We are acting, not just talking. Even more importantly, we are building a model for the future, a positive model that will promote our energy independence by allowing us to go after those resources, including offshore, where the vast majority of our energy assets are in the future.

Mr. President, I yield the floor.

Mr. BROWNBACK. Mr. President, if I could inquire of my colleague from Washington—and I have my colleague from Alabama who seeks recognition—maybe we can get some order set up here. I have a 15-minute presentation. I believe my colleague from Alabama is seeking recognition, if I could inquire.

Mr. SESSIONS. Mr. President, 5 minutes would allow me to complete remarks I began earlier this morning when the majority leader and the Democratic leader appeared.

Mr. BROWNBACK. I would inquire of my colleague from Washington a timeframe she would want, in an effort to establish some order.

Mrs. MURRAY. Mr. President, I want 15 minutes as in morning business. We could go back and forth. I think we could accommodate that quite easily if the Senator from Kansas wants to speak. I ask unanimous consent that following the Senator from Kansas, if I could have 15 minutes in morning business, and then go back to the other side.

Mr. BROWNBACK. If my colleague from Washington would be willing to allow 5 minutes for my colleague from Alabama to finish up his comments? Is that asking too much? I don't want to press it too far.

The PRESIDING OFFICER. Will the Senator modify her unanimous consent request to be that following your remarks, the Senator from Alabama would be recognized?

Mrs. MURRAY. Following my remarks, if the Senator from Alabama wants to go, I would be happy to agree to that.

Mr. SESSIONS. Mr. President, I think what the Senator from Kansas was asking is if I could sort of utilize his time for 5 minutes to complete my remarks and then go to the Senator from Washington.

Mrs. MURRAY. Mr. President, I revise my request and ask that following

the remarks of the Senator from Kansas for 15 minutes, the Senator from Alabama for 5 minutes, and then I would be recognized for 15 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BROWNBACK. I thank my colleague from Washington in particular for allowing us to do this. It is very much appreciated.

Mrs. HUTCHISON. Mr. President, I ask the Senator from Kansas to yield for a unanimous consent request that I be placed in line after the Senator from Kansas and the Senator from Washington to speak on this bill?

The PRESIDING OFFICER. Does the Senator yield?

Mrs. HUTCHISON. If the Senator yields, can I then make that proposal?

Mr. BROWNBACK. I am happy to yield to the Senator from Texas.

Mrs. HUTCHISON. I ask unanimous consent I be recognized after the Senator from Kansas and the Senator from Washington.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Kansas.

Mr. BROWNBACK. I believe I am to be recognized for 15 minutes. If the Presiding Officer will notify me when 2 minutes remain?

The PRESIDING OFFICER. The Chair will do so.

Mr. BROWNBACK. Mr. President, I rise to speak on the pending business before the Senate, the Gulf of Mexico Energy Act, S. 3711. I wholeheartedly support this bill. We face a dire situation in this country regarding our energy dependence.

I believe this debate is about two numbers and those numbers are 3 and 75—$3-a-gallon gasoline and $75-a-barrel oil. That is what this debate is about, 3 and 75.

We are reminded about this every day. There are probably places in this country paying well over $3 a gallon for gasoline. The price of oil hit $75 this past Friday. There is a good possibility it will even go up from there. We need more domestic drilling to take place. We must reduce our foreign dependency, our dependency on foreign oil. In the future and in the near term as well we have to reduce our dependency on oil.

Things are striking. In the United States we burn 10,000 gallons of oil per second. The United States uses four times more oil than any other nation. Relative to economic output, the United States consumes 7.5 gallons of oil for every thousand dollars of GDP. Oil imports cost us—this is a 2003 number, so they are higher now—oil imports cost us $10 billion a month, as a nation. Those are 2003 numbers.

Energy economists estimate that since World War II, oil price spikes have cost the economy 15 percent growth and $1.2 trillion in direct losses. There is a $7.4 billion increase in the U.S. oil bill per year for each $1 increase in the price of oil. Imagine what that adds up to when you push $75-a-barrel oil. A $1 increase in the price of oil costs U.S. companies and consumers about $828 million in trucking costs each year.

In addition to these facts, we get a large amount of our oil from regions that are unstable at best and unfriendly at worst; 65.3 percent of the world's proven oil reserves are in the Middle East. The Middle East OPEC States already supply the United States with 2.5 million barrels per day, 25 percent of our daily imports.

Further, every day, 26 million barrels of oil flow through two points. One of those points is the Straits of Hormuz in the Persian Gulf. We know the instability that can happen there. A few targeted strikes against one of these two states or against oil facilities in Saudi Arabia, which holds a quarter of the world's oil reserves and essentially all spare capacity—if you can consider any of the capacity spare today—it could take several million barrels of oil off the global market every day for months and send oil prices soaring.

These facts, coupled with the increases in demand that are taking place in countries such as China and India, do not bode well for our national and economic security.

There will be very difficult if not potentially disastrous consequences to our economy if we do not reduce our dependence on foreign oil and, in the future, oil period. If we remain so dependent on foreign oil, we court disaster.

Currently, we have these two mega numbers, 3 and 75; $3-a-gallon gasoline and $75-a-barrel oil.

This bill, the Gulf of Mexico Energy Act, will help lessen the dire situation we are currently in. It opens up 8.3 million acres of the Gulf of Mexico for oil and natural gas exploration. It is something we need to do, we must do now to be able to help reduce our demand for oil products, for foreign oil.

I want to also talk about the midterm of what we need to do. This is something we have to do now to mitigate the situation we are currently in. We really need to do it. But on a midterm basis, we have to reduce our dependence on oil, period. That is why a bipartisan group of 28 Senators has put forward the Vehicle and Fuel Choices for America Security Act, S. 2025. I urge my colleagues to look at cosponsoring this legislation. I think it is the most bipartisan and comprehensive energy legislation pending in front of the Senate today.

We filed it as an amendment on this bill, but as I understand the procedural situation we are in, it is unlikely this is going to come up now. It is still important that we look at this legislation and others to reduce our long-term dependence on oil. It is appropriate Members of Congress from every region of the country and every political stripe—conservative, liberal, everything in between—have all arrived at this same point. For our national security and our economic security, we must reduce our dependency on oil.

It is common sense to reduce our oil consumption, and it is doable. This bill uses new ideas and does not visit old debates or fights. We know the edges of this debate where we divide this body. This doesn't go there. It says what areas can we agree upon, and let's press forward there. For too long our foreign policy has been dictated in part by our need for foreign oil. It is in the interest of America's security for us to look at ways of lessening our dependence on foreign oil, and it is also in the interests of our economy. The pocketbook of every American is affected when the price of oil goes up.

We can create market incentives to use the technology available today to deal with the problem that we are facing right now. We don't have to wait for any new inventions. We can start solving the problem today simply by sending the marketplace the correct signals. There is broad public support for reducing our oil consumption.

This, to me, is one of those American-type problems. We have a problem and it needs to be addressed and we can do it with good, old-fashioned American ingenuity. It exists. The great thing about this bill, S. 2025, is that our 10-year goal is for reduction in oil consumption of 2.5 million barrels per day. That is roughly 10 percent of our total oil consumption and the same amount we import daily from the Persian Gulf region.

How do we do it? Ethanol and renewable fuels must play a clear role in this fight. They are homegrown. We need to be more dependent on the Midwest than the Middle East. Therefore, this helps keep the money at home. We ventured down this road before, but we have never fully committed as a nation to renewable fuels. Now is the time to do it.

I am encouraged by the fact that so many people are literally buying into ethanol today, and into biodiesel—soybean-based diesel fuel. Bill Gates has invested over $100 million of his own money into ethanol. Richard Branson of the Virgin Empire, famous for his success in venture capitalism, is investing in ethanol. These are great signs for the future of renewable fuels, as it is an industry that needs capital investment.

As a government and as a people, we need to fully commit to make renewable fuels a viable alternative to petroleum-based fuel. As long as oil remains above $70 a barrel, the economics of renewable fuels makes good sense. It makes sense for us to continue to push its development, and it makes clear sense regarding our foreign policy and security needs.

Biodiesel is another renewable fuel option and is a farm success story. After Operation Desert Storm in the early 1990s, soybean farmers were struggling to maintain profitability. I was the Secretary of Agriculture in my State of Kansas at that time. Because

of high energy prices and low commodity prices, the farmers were struggling. The soybean farmers started investments in the development of biodiesel. It was a priority for farmers eager to contribute to our energy supply and develop a new market for soybeans. Farmers invested more than $50 million of their check-off dollars. These are dollars they tax themselves to be able to promote their industry. They did this to be able to conduct research and development in biodiesel.

As a result, the biodiesel industry has shown slow but steady success since the early 1990s. However, in the past 2 years it has grown exponentially. In 2004 there were approximately 25 million gallons of biodiesel sales. That increased to 90 million gallons in 2005, and currently it is on track to exceed 150 million gallons this year.

Likewise, we went from 22 biodiesel plants in 2004 to more than 60 biodiesel plants currently, and there are over 40 more plants currently under construction.

Congress has, and continues to put in place, policies that enhance our Nation's energy security. Renewable fuels are playing a significant role in helping to achieve this objective while providing economic benefits to farmers and rural communities.

Another key element to freeing ourselves from our foreign oil dependency is to introduce electricity as a transportation fuel option. Recently, I and many of my colleagues in the House and Senate test drove plug-in hybrid vehicles on Capitol Hill. These cars drive exclusively on electricity for the first 30 miles of every trip. After 30 miles, these cars switch to a normal combustion engine. Over 50 percent of all Americans drive less than 30 miles each day. That means we could have over half of our drivers in America driving exclusively on electricity, not using any oil at all.

The good news is that our electricity generation is produced here in America, whether it is coal, natural gas, nuclear, or renewable sources such as water power and wind. We would be fueling a majority of our transportation sector with American sources of energy as opposed to foreign oil. Plugging in your car during offpeak hours when power is in a surplus and cheaper would soon just become part of the modern daily routine like plugging in your cell phone before you go to bed. Offpeak electricity can be the equivalent of 50-cent-a-gallon gasoline.

The car I sat in, and other Members drove, went 100 miles a gallon by using the plug-in technology, the hybrid technology in the car, and fuel in a combustion engine—100 miles to the gallon, a car available today.

This was a modified Prius. I don't want to tell everybody that this is broadly available. But the people who have modified it to include plug-in technology were using this hybrid vehicle.

Not only will we be sending out money to countries that dislike us, but we will be buying American-made power instead.

Another great bit of news is that we already have the infrastructure in place to produce electricity as a transportation tool. All you will need is an extension cord and a wall outlet. We can't drill enough domestic oil to break our addiction to foreign oil.

However, this bill takes an innovative market-based approach to solve these problems. We can provide tax credits for the production and purchase of advanced technology cars. We expand the renewable fuels infrastructure through a variety of means. We also expand research and development in critical areas such as light-weight materials and cellulosic ethanol. This ethanol, instead of being made out of grain, is made of plant fibers or out of woodchips. We amend the Federal fleet requirements to reduce oil consumption by allowing electric drive technology to qualify under the EPA act.

We require 30 percent of the Federal fleet requirements to be met by advanced diesel, hybrids, or electric plug-in hybrids by 2006.

We also provide tax credits for companies that have fleets of 100 or more vehicles to purchase more fuel-efficient vehicles.

We are all solidly behind the ideas in this bill. It has 28 cosponsors, and we look forward to moving these ideas forward because it is critical for our national and economic security and our economy and our future that we do so, plus it is just good old American ingenuity that we would do something like this and lead the world in moving toward an important electric renewable source fleet of vehicles for our consumers.

Clearly, if we are to continue to live freely in this country, we must figure out a solution to our rising dependency on foreign oil.

That is part of my support for S. 3711. Near term, we have to do more production. Longer term, we have to reduce our dependency and our addiction to oil, period. Here is a bill and a way we can do it. As we observe what is taking place in the Middle East—even today we can see volatility in that region. As we observe what is taking place in our marketplace, I believe you can see a yearning for vehicles that get higher mileage and we can use with plug-in technology.

I think we have to pass S. 3711, and then in the future let's move this car fleet to be based more on renewables and to be based on plug-in technology using electricity.

I look forward to working with my colleagues to be able to accomplish that. I urge us in the near term to do what we have to do—pass this bill which is before us today.

I yield the floor.

Mr. DOMENICI. Mr. President, will the Senator yield?

Mr. BROWNBACK. I would be happy to yield during the remainder of my time.

The PRESIDING OFFICER. The Senator from Kansas has 50 seconds.

Mr. DOMENICI. Mr. President, I ask unanimous consent to have 1 minute to ask a question.

The PRESIDING OFFICER. The Senator has 40 seconds.

Mr. DOMENICI. Mr. President, I chair the Energy and Natural Resources Committee.

First, I thank the Senator for supporting this measure. It is vitally important that we tell the American people that the price of natural gas rose dramatically today again. There is a big demand.

I think it is exciting to see some Senator like yourself, who has a vision for other things besides this, saying let's do this because we can do it now.

That is a point I want to make as chairman. Let's do this because it will break the mold, break the precedent of moratoria of no deepwater mining, deepwater drilling, and get on with great production. But I want to say to the Senator that I am aware of his bill. I am aware of some of the great ideas in it. I heard him mention it. We had a hearing on parts of it, as he probably knows.

I think it is fair to tell him that the truth is, with this short session, in this Senator's opinion—I really worked hard to get energy legislation passed and was able to pass a comprehensive bill that did some terrific things. He knows that—ethanol, even in the area of cars he is speaking of. We made some giant strides with that Energy bill—I don't believe we could start with the Energy bill this late in the session with the Senator's bill or somebody else's bill without doing nothing and just getting bogged down. I thought: Let's take what we can do and do it. But I don't want the Senator to think the great ideas that he has have been forgotten.

Mr. BROWNBACK. I thank the chairman.

The PRESIDING OFFICER. The Senator from Washington is recognized.

GREENLANE MARITIME CARGO SECURITY ACT

Mrs. MURRAY. Mr. President, we have waited day after day in the Senate on political issues when we should be taking the Senate's time to make America more secure.

Last week, the majority leader mentioned port security in a long list of issues to be debated before the August recess.

While Senator FRIST continues to pay lipservice to this important priority, I remain concerned that with only a week left before the August recess we have no firm schedule or commitment to bring this bill to the floor.

I am worried that while the majority says it wants to act, it refuses to put any action behind that rhetoric.

And here's the bottom line—if God forbid there is an incident at one of our ports—the fingers will point to this Chamber.

And people will want to know: Why did the Senate sit on a bill that passed

the full House and passed the Senate Homeland Security Committee? Why didn't we make these ports secure when we had the chance?

The only thing keeping the GreenLane bill from protecting us is the Senate's failure to take it up. We have to bring up and pass this bill before it's too late.

I am here today because nearly 5 years after 9/11 our country is still vulnerable to a terrorist attack.

Just this week, an article in the Seattle Times showed us that our ports are not secure.

A reporter was able to enter two West Coast ports simply by hiding in trucks that were entering those ports.

The reported walked around cargo containers in areas that are supposed to be secure.

In this case, the security gaps appeared to be on the ''land side,'' but as the article notes—an incident at any port—whether from the land or sea side—could shut down all of our ports. Time is not on our side.

Each year, 6 million cargo containers enter U.S. seaports. And that number is expected to quadruple in the next 20 years. These cargo containers carry the building blocks of our economy.

But without adequate security, they can also provide an opportunity for terrorists to deliver a deadly one-two punch to our country.

The first punch would create an untold number of American casualties.

The second punch would bring our economy to a halt.

Today, we are not doing enough to keep America safe. Standing in this Chamber, it can feel like the dangers at our ports are a distant concern. But given that our ports are connected to our Nation's transportation system and are often close to major population centers, the threat is never far away.

A recent example makes this threat crystal clear. On March 21, a container ship called the Hyundai Fortune was traveling off the coast of Yemen when an explosion occurred in the rear of the ship.

About 90 containers were blown off the side of the ship, creating a debris field 5 miles long. Thankfully there were no fatalities, and the crew was rescued. Fortunately, this incident does not appear to be terrorist-related.

Now I want to imagine this same burning ship sitting just a few feet from our shores—in New York harbor or Puget Sound, off the coast of Los Angeles or Charleston, Miami, Portland, Hampton Roads, the Delaware Bay, or the Gulf of Mexico.

Now imagine that we are not just dealing with a conventional explosion. We are dealing with a dirty bomb that has exploded on America's shores.

Let me walk through what would happen next. First, there would be an immediate loss of life. Many of our ports are located near major cities. If a nuclear device exploded at a major port, up to 1 million people could be killed.

If this was a chemical weapon exploding in Seattle, the chemical plume could contaminate the rail system, Interstate 5, and SeaTac Airport, not to mention the entire downtown business and residential district.

At the port, there would be tremendous confusion. People would try to contain the fire, but it's unclear who—if anyone—would in charge.

Then—when word spreads that it's a dirty bomb—panic would likely set in. There would be chaos as first responders try to react, and residents try to flee.

Next, our government would shut down every port in America to make sure there weren't other bombs on other containers in other cities.

That shutdown would be the equivalent of driving our economy into a brick wall. It could even spark a global recession. Day by day, we would feel the painful economic impact of the attack. American factories would not be able to get the supplies they need. They would shut their doors and lay off workers. Stores around the country would not be able to get the products they need to stock their shelves. Prices for these goods would spike, as demand began to outweigh the supply. And consumers would not be able to afford the items they rely on every day.

In 2002, we saw what the closure of a few ports on the west coast would do. It cost our economy about $1 billion a day. Imagine if we shut down all our ports.

One study concluded that if U.S. ports were shut down for just 9 days, it would cost our economy $58 billion.

Next, we'd realize we have no plan for resuming trade after an attack—no protocol for what would be searched, what would be allowed in, and even who would be in charge. There would be a mad scramble to create a new system in a crisis atmosphere.

Eventually, we would begin the slow process of manually inspecting all the cargo that's waiting to enter the U.S. One report found it could take as long as 4 months to get them all inspected and moving again.

Finally, we'd have to set up a new regime for port security. And you can bet that any new, rushed plan would not balance strong security with efficient trade. Unfortunately, the scenario I just outlined is not the stuff of fantasy. Rather, it is a realistic portrayal of events that could happen tomorrow.

Nearly 5 years after September 11, we still have not closed a major loophole that threatens our lives and our economy. Time is not on our side. We must act, and we must act now.

I approach this as someone who understands the importance of both improving security and maintaining the flow of commerce. My home State of Washington is the most trade-dependent State in the Nation. We know what's at stake if there were an incident at one of our ports.

That is why I wrote and funded Operation Safe Commerce to help us find where we're vulnerable and to evaluate the best security practices.

It is why I have worked to boost funding for the Coast Guard and have fought to keep the Port Security Grant program from being eliminated year after year.

Right after 9/11, I started talking with security and trade experts to find out what we need to be doing to both improve security and keep commerce flowing.

Last year, I sought out Senator COLLINS as a partner in this effort. I approached Senator COLLINS because I knew she cared about the issue, I knew she had done a lot of work on it already, and I knew she was someone who could get things done.

Since that day, we have worked hand-in-hand to develop a bill and move it forward. I am also grateful to Senators LIEBERMAN and COLEMAN for their tremendous work.

We know we are vulnerable. Terrorists have many opportunities to introduce deadly cargo into a container. It could be tampered with anytime from when it leaves a foreign factory overseas to when it arrives at a consolidation warehouse and moves to a foreign port. It could be tampered with while it's en route to the U.S.

And there are several dangers. I outlined what would happen if terrorists exploded a container, but they could just as easily use cargo containers to transport weapons or personnel into the United States to launch an attack anywhere on American soil.

In fact, in April, 22 Chinese stowaways were found at the Port of Seattle. They had reached the United States inside a cargo container. In that case, they were just stowaways. Imagine if they had been terrorists sneaking into our country.

The programs we have in place today are totally inadequate. Last year, thanks to the insistence of Senators COLLINS and COLEMAN, the Government Accountability Office found that C-TPAT, the program in place, was not checking to see if companies were doing what they promised in their security plans. Even when U.S. Customs inspectors do find something suspicious in a foreign port, they cannot force a container to be inspected.

We have a very clear and very deadly threat. We know today that current programs are inadequate. What are we going to do about it? We could manually inspect every container coming into this country, but that would cripple our economy.

The real challenge is to make trade more secure without slowing it to a crawl. That is why Senators COLLINS, COLEMAN, LIEBERMAN, and I have been working with all the stakeholders and the experts to strike the right balance. The result was the GreenLane Maritime Cargo Security Act. It provides a comprehensive blueprint for how we can improve security while keeping our trade efficient.

At its heart, this challenge is about keeping the good things about trade—

speed and efficiency—without being vulnerable to the bad things about trade—the potential for terrorists to use our engines of commerce.

Mr. DOMENICI. Would the Senator yield for a minute without her statement being interrupted?

Mrs. MURRAY. I am happy to do that if I can have additional time to answer the Senator's question.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I ask that following the remarks of the Senator, Senator HUTCHINSON of Texas be recognized for 5 minutes.

The PRESIDING OFFICER. That is already part of the order.

Mr. DOMENICI. And that I, the Senator from New Mexico, follow her for up to 20 minutes.

The PRESIDING OFFICER. Under the previous unanimous consent request, the Senator has already been recognized, but no specific time amount was set for the Senator from Texas. Following the Senator from Texas, the Senator from New Mexico will be recognized for 20 minutes.

Mr. DOMENICI. I thank the Chair.

Mrs. MURRAY. Mr. President, the GreenLane Maritime Security Cargo Act does five things.

First of all, it creates tough new standards for all of our cargo. Today, we don't have any standards for cargo security.

Second, it creates the GreenLane, which provides an even higher level of security. Companies have the option to follow those higher standards of the GreenLane, and their cargo—those companies which agree to that—will be tracked and monitored from the moment it leaves a factory floor overseas until it reaches the United States. We will know where that cargo has been, we will know every person who has touched it, and we will know if it has been tampered with. The GreenLane will simply push the borders out by conducting inspections overseas before cargo is ever loaded onto a ship bound for the United States. And we will provide incentives for companies to use those higher standards of the GreenLane.

Third, our bill sets up a much needed plan to resume trade quickly and safely to minimize the impact on our economy.

Fourth, our bill will secure our ports at home by funding port security grants at $400 million. That funding will help our ports and our port operators to develop and implement security plans. They can use this funding to strengthen their perimeter of security, which would have helped prevent a number of security lapses that were highlighted this week in the Seattle Times article.

Finally, our bill will hold DHS accountable for improving cargo security. The Department of Homeland Security is long overdue in establishing cargo security standards and transportation worker credentials. We need to hold them accountable. The bill we have written provides the infrastructure to ensure accountability and coordination.

I take a minute to thank Senator COLLINS for her tremendous leadership on this critically important issue. I thank Senator COLEMAN for his leadership and work as chairman of the Permanent Subcommittee on Investigations. Senator COLEMAN has helped expose our vulnerabilities, and he has worked with us to develop solutions. I also thank Senator LIEBERMAN for his leadership on this issue. I commend all the other cosponsors of our bill: Senators FEINSTEIN, SNOWE, DEWINE, SALAZAR, SANTORUM, GRAHAM, CANTWELL, DURBIN, and BYRD.

We are seeing tremendous progress on the House side with the Safe Port Act. I thank Representatives DAN LUNGREN and JANE HARMAN for their bipartisan leadership.

Finally, I thank the numerous Federal, State, and local officials as well as all the industry representatives for their tremendous assistance in crafting this legislation. Those people truly are the front lines of securing our Nation's ports. I have been very proud to work with all of them.

Right now, today, we have a choice about how we deal with cargo security and the challenges facing us. If we wait for a disaster, our choices are going to be very stark. We should make those changes now on our terms before there is a deadly incident.

Let's protect America before an image like this hits our television screens. Let's not wait until a terrorist incident strikes again to protect our people and our economy.

Earlier this year, the American people woke up and spoke out when they heard that a foreign government-owned company could be running our ports. That sparked a critical debate. Now we need to set up a security regime that will actually make us safer. Until we do, none of us should be sleeping well at night. A terrible image like this, a burning container ship with a dirty bomb in one of America's harbors, could be on our TV screens tomorrow.

This Congress needs to act today. We have heard the majority leader say we need to address port security, but words will not protect us from terrorists, words are not going to help us find a bomb that is hidden in a cargo container, and words won't help us tell which containers could be holding a group of terrorists who are trying to sneak into our country. We need more than words. The Senate needs to take up and pass the GreenLane Maritime Cargo Security Act. We only have a few days left before we can do this. We need to act. I urge the leadership, before the August break, to finally bring up and pass the GreenLane Maritime Cargo Security Act before it is too late.

I yield the floor.

The PRESIDING OFFICER (Mr. GRAHAM). The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I rise today to speak in support of the Gulf of Mexico Energy Security Act of 2006. I was very encouraged by the strong vote to proceed to debate on this bill. I hope we can do this for the people of America to begin to see the energy prices in this country start coming down.

I am a cosponsor of this bill. It is a compromise and reflects much hard work from all of the gulf coast producing States, including Florida. I especially want to mention Senators LANDRIEU and VITTER from Louisiana, who have pushed for a long time for this kind of proposal.

The people of America are not interested in political rhetoric. They want Congress to take action on the rising energy costs in this country. This is a potential near-term solution for a long-term problem.

For too long, we have neglected our own resources in this country, including those in the Gulf of Mexico. This bill will bring access to more than 8.3 million acres in the Gulf of Mexico for oil and natural gas, with the production in leases 181 and 181 south. It will provide access to over 1.26 billion barrels of oil in these areas.

To put this in perspective, the average annual fuel consumption for cars and light trucks, according to the Federal Highway Administration, is 14.5 barrels of gasoline; that is, 607 gallons. This 1.26 billion barrels of oil is enough energy to fuel approximately 87 million vehicles for a year.

We cannot afford to stand by and allow our import costs of oil to continue to increase. Since 2001, those prices have gone up 150 percent. Additionally, the bill will provide access to 5.8 trillion cubic feet of natural gas.

To put that figure in perspective, it is six times the amount of LNG we import every year, three times the amount of gas currently in storage, and enough natural gas to serve 107 million households.

America's yearly natural gas bill has risen from $50 billion to $200 billion over the last 6 years. This increase impacts farmers, ranchers, business owners and households. We must continue to discover and support alternative energy proposals. Congress has done that. Congress passed a bill last year, signed by the President, that focused on other sources of energy besides oil and gas. We gave credits for solar power, biofuel, ethanol, wind energy, all of which are renewable sources of energy that are safe and environmentally clean. That has made a difference. Even wind energy has now become almost 10 percent of the electricity used in my home State of Texas. We know if we put together a number of different kinds of renewable sources of energy such as corn and soybeans, it can be an alternative that takes a tremendous burden off oil and gas, which has been the largest supplier.

I am also encouraged that some of our largest integrated oil companies are moving toward those kinds of alternative fuels. I opened a biodiesel plant

in Galveston, TX, a couple of weeks ago. That is a step in the right direction. It was being opened by Chevron. We are doing some good things.

The global demand for oil and natural gas is rising at a rapid rate. That is what is causing the prices to go up. We have to look to our own resources. One of those major resources is the Gulf of Mexico. I also hope we eventually will look at other resources, such as Alaska, which contains comparable resources to that of the Gulf of Mexico.

We can do something ourselves with the resources of our own country if we combine the research and new emerging sources of energy as well as the old standard oil and natural gas sources we also have. If we don't act, we are jeopardizing our economic and national security.

This bill also helps the States that are allowing drilling to mitigate the costs this production brings to their States. In my State of Texas, we have 367 miles of coastline which has sustained impacts from production. Texas has helped finance and support much of the gulf coast production. The entire Nation has benefitted from lower fuel costs due to these investments. This production, however, has had an impact on my State and the coastal areas of my State. This bill will begin to help mitigate those impacts. It provides the gulf producing States, beginning in 2007, with 37.5 percent of revenues. Fifty percent will go to the U.S. Treasury, and the rest, 12.5 percent, will be shared among all the States of our country. Every State is going to benefit from passing this legislation.

Today, a barrel of oil is selling above $74.

Every American is feeling the impact. This is a piece of legislation that can have a very positive impact very quickly. I urge my colleagues to support this legislation. Let's send it to the President. Those leases will soon be ready for bid. It is our responsibility to do that.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Thank you, Mr. President. Thank you, fellow Senators.

First, Mr. President, and fellow Americans, for those who have watched the Senate over the last couple days, it must have been a pretty enjoyable time because Senator after Senator came to the floor—maybe 12 or 15 versus 2 or 3 opposed—12 or 15, all positive and for something, for a change, sending a signal here in the waning days of this session before we go home for a recess when it is hot out there and the price of natural gas is going up. The people know it, and they are hearing rumors that pretty soon we are going to be importing natural gas from all over the world, where we used to be a totally self-reliant country on natural gas.

We have made a mistake. In the last 17 years, every new powerplant we built—because we were frightened to death of nuclear power—we built for natural gas. We took this fantastic ingredient, this beautiful product of nature—natural gas—and we poured it into the powerplants. And we are still doing some. I did not think we were, but we are still building a couple. Rather interesting. I do not want to even insinuate by saying where, but we are building some.

In the meantime, millions of American homes have done what everybody thought was right, and that was to hook on to natural gas. Then across this land we built a manufacturing base, huge in size, made up of, for example, the chemical industry. I assume the occupant of the Chair knows about industries like that. Many Senators do, and they probably have been contacted by their industries—the fertilizer industry, the plastics industry, involving thousands of workers. What raw product do they use for manufacturing so they can employ and sell products? Natural gas.

So what happened? We used it up. All of a sudden, we had a big problem in the gulf and the price went through the roof. And we had some rigging and a few other things occurring that we found out about with that Houston company. But, in any event, what happened is the price of natural gas skyrocketed and the supply produced by Americans for Americans became insufficient to meet our needs, and we began to say: We are going to have to go buy natural gas around the world.

What a frightening thing. We just got through this huge problem of gradual dependence upon foreign crude oil to where we are more than 60 percent dependent, and there is nothing we can do about it. We cannot produce sufficient crude oil to change that equation, the crude oil needed to run America's transportation needs.

And when we complain, remember the old idea of Pogo: ''We have met the enemy and he is us.'' The transportation needs are 70 percent of the oil used. And that is your cars, ladies and gentlemen, your SUVs, the trucks and buses. That is 70 percent of the oil.

Now here we grow dependent for that. And here in America we grow more and more dependent upon natural gas. And here sits—while all of this is happening—along the seaboard of America a giant sea of natural gas and crude oil which has been taken off the market by what have been commonly called moratoria or moratoriums, saying: Do not touch that because it is off the sea coast of California; do not touch that because it is off the coast of New Jersey. In this case, we have a small piece of Federal real estate. I am not going to put the maps up again today, but it is 8.3 million acres. Sounds like a lot, but, believe me, when you look at the coast, it is small.

We are looking in this bill at 8.3 million acres, which we cannot put out to bid for American companies, large and small, to go drill for what is known to be there. What is known to be there? Oil: 1.2 billion barrels. What else? Natural gas, that thing I just talked about that builds an industry, that builds a manufacturing base, that keeps the price down. Right? It makes supply more rational.

There sits 6 trillion cubic feet of natural gas in that property. Well, that does not sound like anything except it is enough energy to take care of 6 million houses for 15 years. That is pretty good if you look at that as an average American.

So what we decided was: Yes, we surely, last year, passed a great energy bill—which I will talk about in a moment—but we couldn't get this one done, so let's get this one done this year for the American people. I regret to say we were moving forward with, again, locked arms with my colleague from New Mexico, Senator BINGAMAN, to get this done when we had to break. We had to break paths because I decided to stand for the past would get us the fruits of the past, which would be nothing, so that if we did not share some of the revenue with the surrounding States, we would still get no oil and gas, we would still be in moratoria, and we would get no revenue for the Treasury and no revenue for the States. But, most importantly, that beautiful product, natural gas, and the crude oil that is there with it would still be there and nobody could touch it.

So with that in mind, we worked and we worked and we worked, with the help of the great Senator, MEL MARTINEZ, from Florida, who was courageous, and we protected his State sufficiently, I think admirably, for him to say yes. Today I understand his co-Senator said yes. Thank you, Senator. Thank you very much, Senator NELSON. He came here and said yes. Four coastal States said yes. They had been saying no more, and now we have an opportunity.

We do not need to wait around and say: Let's add 20 other items for the American people. You cannot add 20 more items. They still have to go to the House. They do not have 20 items waiting around. So whatever great ideas are pending, we cannot pass them, first, because if you keep adding them, it means you will not pass this bill, and, secondly, they do not go anywhere.

So let's do this one for the American people. And if this happens, it says, put that land out to the American drilling companies now, and a big portion of it will be available within a year—within a year.

Now, I will respond to Senator BINGAMAN's points in opposition.

I do believe that every point he made in opposition is refutable, and I will refute them later. But I want to say the simple fact is we had to go our own ways for one simple proposition. Both of us understood we needed to go ahead and deepwater drill this land, although with the passage of negotiations beyond the time that he and I—Senator

BINGAMAN and I—had reached accord, we added substantial property to this arrangement. But the point of it is, we broke on the proposition of: Shall we bring a bill to the floor with no revenuesharing with the States—which I concluded will never pass; we will not get it done, and we will be right back where we were—or do we do what we have done here and say the abutting surrounding States get a portion?

Now, let's get this straight: The Federal Government still gets the majority. They get 50 percent straight up of the royalty. And 12.5 percent is for the Statewide Land and Water Conservation Fund. And then 37.5 percent over time—which is not much in the beginning, but over time is substantial—is shared with the States that abut so they can say: We are sharing in the burdens while we are joining in sharing in the wealth.

We believe the precedent will flow, once this is done, and we will begin to look to other States, such as the State of Virginia, perhaps the Carolinas, perhaps Georgia, et cetera, and say: What about similar arrangements later? But right now let's give the people a gift of what is theirs now by passing this measure.

Now, there is one very positive thing that is happening that is big on the scene for the American people that is hard to appreciate because it takes time. That is the impact of the Energy Policy Act that is a year old this August. The energy policy bill is beginning to take hold. I regret to say the higher the price of crude oil, the more breakthroughs will occur on the part of innovators and technologists and companies that are making breakthroughs in terms of new kind of cars, new kinds of technology, because the price of crude oil is saying to them it is worth the investment and the risk in something new.

So the high price is bringing on new things. But the act we passed is bringing on huge results. We are in a renaissance period on nuclear power. I wish I could come here and show you the dedication of the next plant, but that takes a while. But 25 applications have taken place since that act, 25 applications for nuclear powerplants. So the Senators who come down here and say: Why do this bill; why don't we do more things; we did more things in this huge bill we passed. We created a nuclear renaissance in the United States.

Second, we have a revolution in biomass which is going to change rural areas into a more vibrant and diverse economic rural America because we are going to use farm products to fill our gasoline tanks with ethanol instead of crude oil. That is all in the Energy bill. The targets are set. The huge mandate is set. And we are rolling with 29 new plants having been built.

One of our Senators implied we should not be so narrow and take just this bill. Just this bill? Just this bill is pretty much—the one we are talking about, right? It is big. It was said: We should not do this. We should do many other things. We did the other things. I am trying to tell you, we did many of them, and we probably should start with a second round next year. But if we start trying to get more instead of this, we will get nothing for the American people, nothing for natural gas supply, nothing for our consumers to rely upon in terms of bringing the price of natural gas down. And that is what I want to do and want to get done.

So the Energy Policy Act did what I have described, and many more things, some of which I will describe later. But I am very proud that in the period of 12 months we will have passed an energy bill that has done all these significant things. They are moving along.

Right now we are wondering about the reliability of electricity on the grid. I can tell you that in the Energy Act the studies are just about completed. Within a month to 2 months they will be ready. And they will tell us how to fix the grid so it will be totally reliable, and the exchanges between the various portions of the electricity distribution system will all be made reliable so you will not have the kind of blackouts we talk about.

That is because of the Energy Act. But you cannot do it immediately. It is in the mill. That is happening, too. So when you look at it, Congress has done some important work in the energy field. Hybrid cars are coming on in large quantities because of the credit, plus the high price of crude oil.

We can continue, but in a nutshell this bill is good for the people who are burdened with the high cost of natural gas, the high cost of oil. It is their property. We ought to develop it and do it now. So it has been my privilege, having served here for quite some time, to be the leader in this particular area. Of that I am very pleased, proud, and grateful.

I remind everyone, while natural gas was taking a little bit of a back seat to the rising costs of energy, it has now joined a parade of increases. Today, my staff informs me that the price of natural gas reached a 5-week high, just in time for us to remind you that you better put this piece of property on the development table so that it can be rendered a productive piece which will, in fact, cause that price to continue to stop rising and to abate over time.

Mr. President, I have said on a number of occasions that passing this bill is the most important thing that we can do in the short term to move toward correcting the supply and demand imbalance of natural gas. I would like to take the time to refute some of the specific criticisms made against this bill by a handful of people.

First, I would tell you that if we do not develop our resources domestically, this revenue sharing question will be moot—because we will not have revenues to share. The capital will be spent overseas for foreign exploration and development and we will continue the cycle of sending our American dollars abroad for our energy sources for use here at home. The Gulf of Mexico Energy Security Act begins to address this problem.

Now, it is argued by a few that this bill is not worth doing because the Minerals Management Service is proposing to open parts of the 181 area in its recently published 5-year plan. Critics argue that since the administration has announced intentions or plans to open parts of 181 equal to 2 million acres—containing approximately 620 billion barrels of oil and 3 trillion cubic feet of natural gas—it is not worth passing this bill which opens over 8 million acres with 1.26 billion barrels of oil and almost 6 trillion cubic feet of natural gas. Even if I were to entertain that logic as being sound, let me tell you the pitfalls of assuming that the administration lease sale will go through as planned.

It starts with the very point that the critics make. In November 1996, the MMS announced and approved a 5-year plan that included an intention to offer 6 million acres known as the original lease sale 181 area for oil and gas leasing. The decision to include this area was the culmination of extensive consultation between the Federal Government and the State of Florida. However, in 2001 when the Department of the Interior went to lease this 6 million-acre area, the administration reduced the lease sale to 1.5 million acres. So recent past tells us that if we hang our hats on the draft plan as critics seek today, we will be disappointed. Critics say—trust the very process that disappointed us a few years earlier in the very same area. I say—in this bill—direct the Secretary to lease the area. I say—make it clear, make it direct and we will get all the resources, and there will be no doubt.

I ask this to those who would rely on a draft plan as a certainty. Since the time you were in school, have you ever written a draft that was the exact same as the final product? A draft is just that—a draft. It represents what could be opened, not necessarily what will be opened. History shows us the peril of assuming that a draft plan will be followed out to completion.

Furthermore, we should not assume that coastal states will sit by and go along with leasing without the compensation needed to fix the energy infrastructure and coastal environment that is so critical to our domestic energy survival. Last week, the State of Louisiana filed suit in Federal district court to block the upcoming lease sale 200 off of Louisiana. They did so because they claim that our flawed policies were inconsistent with their State coastal plans. This should be a warning to all of us. Today marks the beginning of the end of the days of turning our backs on our coastal States while we turn our energy dollars over to hostile regimes.

The critics of this bill will also say that we took too much property off the table in the Eastern Gulf of Mexico to

get the resources in 181 and 181 south. They point to the areas east of the military mission line off the Florida coast and say that we have given up access to 21 trillion cubic feet of natural gas off of Florida's coast. But this argument is illusory.

We do not have access to these areas currently. With or without this bill these areas are under executive moratorium—that has been set forth by two Presidents, one Republican and one Democrat—through 2012, and these areas have been under this executive withdrawal since 1990. Furthermore, for each of the past 16 years, Congress has placed an additional moratorium on these areas without a whisper of challenge. To say that this bill locks up these areas is not forthright.

These areas are locked up until 2012 and ultimately, under the authority granted to the President over 50 years ago in the Outer Continental Shelf Lands Act, the President can continue this moratorium at any time. The current executive moratorium expires in 2012 in the Eastern Gulf of Mexico. This bill extends this time on certain areas to 2022. Does anyone assume that the moratorium will be removed anytime soon? Does anyone see a viable path toward lifting this moratorium in the Eastern Gulf of Mexico off Florida in the near term? The answer, for the time being, is unequivocally—no.

Furthermore, Secretary Rumsfeld is on record as saying that, while the Department of Defense is fully supportive of the national goal of exploration and production of oil and gas offshore, the Department of Defense believes that any such activities east of the military mission line would conflict with essential military activities. Critics say that it is my bill that locks up these areas when in fact, these areas are deemed essential to our Nation's military needs. Until the President, Secretary of Defense, and both Houses of Congress render a different decision about this area, it is specious to suggest that this bill is locking up these areas to production.

Unquestionably, this bill opens up 8.3 million new acres to development of nearly 6 trillion cubic feet of natural gas and 1.26 billion barrels of oil. The proof of the substantive merits of this bill lie in its broad support around the Nation from America's agricultural community, manufacturing community, producers of chemicals and plastics, the textile industry, the utility sector, and small businesses. Literally, thousands of consumer groups representing millions of Americans and millions of American jobs say the same thing—that S. 3711 provides the much needed relief for the American people. I know that I only addressed a few of the criticisms of this bill, but I dismissed them, because they are not real. If I had all day to myself, I would continue to dismiss the criticisms one by one. I will leave that to my many distinguished colleagues who support this measure.

But I will say this—the criticisms are not based in fact, but rather cling to a flawed philosophy of the past. Over the next couple of days, people will trot out quotes, cases, statutes, and general precedent from years gone by. Mind you, all of this data and precedent will come from a time when we did not import 13.5 million barrels of petroleum per day from unstable regions of the world. All of this data and precedent will come from a time when we did not consume 22.2 trillion cubic feet of natural gas and pay more than 3 times the price for it that nations competing for our jobs pay. All of this data will come pre-Katrina and Rita, when our Nation's energy coast that hosts nearly 50 percent our refining infrastructure was ravaged by natural disaster. I ask the critics to rethink their policy of the past, to reexamine this precedent in light of the facts as they exist today, not as they would wish for them to exist.

This compromise agreement is the best thing that we can do now in the short term, to relieve the cost burden on the American consumer. America is watching.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. DEMINT. Mr. President, I come to the Chamber today proud to be part of a Republican majority that is working to build a future of hope by securing our homeland, securing our prosperity, and securing our values.

This week, we are debating a bill that will lower the cost of living for all Americans by cutting the cost of gasoline, natural gas, and heating oil. By opening additional oil and natural gas reserves in the Gulf of Mexico, this legislation will secure our homeland by reducing our dependence on foreign oil and securing our prosperity by providing real relief to millions of Americans who are struggling to keep up with their rising cost of living.

Unfortunately, while there are some Democrats who are working with us on this bill, most are threatening to obstruct this important legislation even though it would help lower energy costs for American families and increase our energy independence. We cannot allow a few extreme environmental lobbying groups to continue to hold our country hostage.

American businesses, both large and small, are feeling the pinch. Recent estimates show that since the year 2000, 3.1 million high-wage manufacturing jobs have been eliminated or moved overseas, where energy supplies are plentiful and costs are lower.

American families are also struggling to make ends meet. In a recent survey, nearly 80 percent thought the rising cost of energy was hurting our economy and threatening jobs; 90 percent of those polled said high energy costs were impacting their family budget. Despite having been through the warmest winter on record, heating bills for homes that are heated with natural gas and oil went up nearly 25 percent. Last year, the percentage of credit card bills 30 days or more past due reached the highest level since the American Banking Association began recording this information in 1973. The ABA's chief economist cited high gasoline prices as a major factor.

We recently had good news that Republican tax cuts continue to produce strong economic growth and have helped to create 5.4 million new jobs since 2003. But even as the economy grows and wages rise, family checkbooks still feel the pressure. If you get a $25-a-week raise but you have to spend $50 a week more than you did before for gas, food, or medical care, you are still $25 worse off than you were before. It is no wonder that Americans' optimism about their economic future has faded as concern over their cost of living has increased.

There is no quick fix to this dilemma, but there are many things that will work together to secure our economic prosperity. We can address rising health care prices by making health insurance more affordable for small businesses and individuals and by returning control to patients by ensuring that every American has a health plan they can afford, own, and keep.

Unfortunately, so far this year the Democrats have succeeded in obstructing these key things which would lower the cost of health care.

We can also invest in the flexibility and choice necessary to train the best workforce in the world, so that we can attract the best jobs in the world.

Our goal as Republicans is maximum wage, not minimum wage. Unfortunately, again, the Democrats are obstructing ways that we can create more alternatives and choices to improve the quality of our workforce and the amount of pay people earn.

We can also work to increase our natural gas and oil supplies and to reduce the cost of gas, increase America's supply of energy, while we encourage conservation and reduce our dependence on foreign oil.

The good news is that Republicans are working—one step at a time—to secure our prosperity. We understand the American people need real solutions, not more Democrat obstruction.

Some say there has been no coherent Democratic energy strategy since early in the Clinton administration. Well, I disagree. They have a strategy; it is just the wrong one. As you can see from the chart behind me, the Democratic energy ''policy'' is built on two key principles: raise taxes and block real solutions.

The Democrats, back in 1993, attempted to raise the taxes on gasoline by 7.5 cents a gallon. They were unsuccessful there. But with the Democratic majority and President Clinton in the White House, they were able to add 4.3 cents a gallon to gasoline later in 1993.

The Democrats have blocked energy solutions by refusing to write a national energy policy of their own during the whole 8 years of President Clinton's administration. They have tried to block President Bush's comprehensive national energy policy, and they succeeded for 4 years. As we heard from our chairman, last year, we were able to pass a comprehensive energy bill despite Democratic obstruction. The Democrats have continuously opposed our developing oil supplies in Alaska.

Let's look at one chart to show what happened over the last couple of decades. This makes the point about what this does to energy prices. Our graph shows the increase in gas prices since 1991. At every point along the way is when we voted to expand our oil supplies from Alaska, and at every point along the way the Democrats have blocked this and obstructed it and attempted to blame Republicans when gas prices continued to go up.

Let's go back to the other chart. The Democrats have blocked expanding our refinery capacity, which we know is a key element in increasing the cost of gasoline. We look at boutique fuels, which are the regulation that has required refineries to produce different fuel blends for a number of different States. That raises the price. When we tried to change that, they blocked it.

Coming up to today, the Democrats have blocked energy solutions that would lower the cost of gasoline for Americans and then they attempt to come down here on the floor of the Senate to blame President Bush and the Republicans when it doesn't get done. It is clear that active Democratic obstruction has escalated the American energy crisis and increased the cost of gas.

Republicans recognize that our energy problems didn't occur overnight and they won't be fixed overnight. But we understand that if we fail to address rising American energy costs, we will create yet another incentive for businesses to locate overseas and leave American workers behind.

To keep the United States competitive, we must transform our energy policy to meet pressing short-term supply needs, while exploring new alternative solutions to meet the long-term needs for abundant, affordable, emission-free energy.

In the Energy Policy Act of 2005, we did just that, despite Democratic obstruction. Now, our natural gas capacity has expanded by 1.34 billion cubic feet a day, and 25 new nuclear facilities are being planned. If these 25 plants are built, experts estimate that 15 million households will be powered by this zero-emission source of energy, and 120 new, clean, coal-based facilities are in various stages of being planned.

These are a lot of facts and figures to be sure, but the bottom line is that all these numbers translate into real savings both now and in the future for American families.

But we must do more. To address the short-term issue of constantly fluctuating energy prices, we must eliminate Government-imposed regulatory roadblocks in order to increase our energy supply and get these resources to consumers quickly and affordably. We can unshackle American entrepreneurs—the best in the world—and allow them to fully develop our natural resources and still protect our environment.

Our long-term energy policy must focus on creating a diverse energy infrastructure that includes new technologies such as hydrogen, fuel cells, and other alternative forms of energy. Many of these technologies—currently in early stages of development—have shown great promise and can revolutionize the way we fuel our cars, homes, and businesses.

Mr. President, energy costs are on the rise and the ball is in the Democrats' court. For years they have complained about high energy prices and then blocked the very solutions that would lower them.

Republicans have real solutions on the table, such as the deep sea exploration in the gulf that we are debating today. We know it would diversify our energy infrastructure, and it would increase our supply of affordable, abundant, and environmentally friendly energy. Most importantly, it would reduce the cost of living for Americans and stretch their paychecks all the way to the end of the month.

I ask my Democratic colleagues to reject their leaders' tired strategy of blocking real solutions and then blaming Republicans for the problems that remain. Working together, we can bring down the cost of living for all Americans by reducing the cost of gas, increasing America's supply of energy, encouraging conservation, and reducing our dependence on foreign oil.

With that, I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. CANTWELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. VITTER). Without objection, it is so ordered.

Ms. CANTWELL. Mr. President, I rise today to join the discussion about the Gulf of Mexico Energy Security Act, and I want to say at the outset that I support legislation to open up lease sale 181 as reported out of the Senate Energy Committee, and I support new environmentally responsible energy exploration in the gulf.

Obviously, this legislation before us differs from what we passed out of the Energy Committee, and we are still looking at the various impacts of this particular legislation. Some of my colleagues have come to the floor to talk about the larger energy debate, and I wanted to make sure I came down and expressed my concerns and comments about what we need to do to move forward on not just having a piece of energy legislation come to the floor that only has one particular provision in response to our energy needs, but what we can do for a broader energy strategy.

Many of my colleagues may have also turned on the television and seen that oil companies continue to report astronomical profit, and the public has a right to ask why. I hope that next week, when we take up the legislation dealing with the reauthorization of the Commodities Futures Trading Act, we might be able to discuss the issue of price gouging and what we can do to protect the public from those kinds of activities. I know many people in America are shocked to see, again, quarter profits from companies like Exxon jump 36 percent, and that is over last year's $10 billion record profit. So a lot of people in America want to know what we are going to do not only in the short term, but also in the long term on this energy issue.

I know that while we are only discussing this particular proposed piece of legislation on one issue, this Senator thinks it is very important to bring up a broader global context to the challenges that the United States faces in this energy crisis and why it is imperative, with everything going on in the Middle East, that we continue to be very aggressive about a U.S. energy policy that will get us off of our focus on oil and get us on to being a leader in the world economy not just in the United States on energy technology but around the globe.

Earlier this month, I spoke to the Washington Council on International Trade. That is in Seattle. It happened to coincide with the 33rd anniversary that Senator Magnuson had taken a trip to China to visit with the Foreign Minister. Maggie led that congressional delegation after President Nixon opened up the door to China, and he had a 2-hour meeting with the Foreign Minister there. It is interesting because there are notes from that meeting in which Senator Magnuson said he was going to talk about everything from the Pacific Northwest to energy issues, but he happened to scribble a little phrase on a piece of paper that is still recorded in history, which says that China can no longer be an island in the world. I certainly believe that China can no longer be an island in the world. Three decades ago, this policy was correct, but it is even more important today as it relates to our global energy needs and the United States and China working together.

It is no surprise that China's influence has come to the forefront of the global economy debate and that everybody realizes that we are tied together in so many ways. President Hu was recently in Seattle, and we discussed a variety of issues between the Pacific Northwest and, obviously, we have a great economic relationship in selling airplanes, coffee, software, and a variety of agricultural products to China. We continued those discussions.

What we see today is that the global energy issues are prevalent in our trading relationship with China, and they are also important to our national security issues and, obviously, to our environmental issues. That is why I believe it is time for us to take up and establish a formalized, high-level dialog between the United States and China on energy policy. There are various accidents of geology in this world, and I think I have said many times on the Senate floor that the United States only has 3 percent of the world's oil reserves. So when it comes to that situation, basically, China and the United States have landed in the same boat; that is, neither one of us can drill our way to energy security within our borders. But both of our economies have grown increasingly susceptible to these global energy spikes, and we need to act aggressively together to address these issues from a global security perspective.

As a result, I think it is in our mutual interest not to view ourselves as competitors for scarce energy resources but as global partners in the race to move beyond the petroleum dependency. Establishing a sustained cooperative relationship with China on energy policy will open up new markets for new American technologies and companies that we can help create and foster with our energy policy here.

Recently, Thomas Friedman wrote that you can, with these new markets, ''turn Red China into green China,'' providing America with economic opportunity and a long-term environmental benefit.

But here are some of the facts: Today, China accounts for 40 percent of the increase in oil demand. The number of passenger vehicles on the Chinese roads have more than tripled since 2001 and may equal the United States by 2030. So China faces a massive transportation infrastructure modernization. We know there are still 30 million Chinese who didn't, in 2004, have electricity. So trying to keep pace with the growing demand, China is essentially adding a huge 1,000-megawatt coal-fired plant to its grid each week. That is like adding the capacity every year to serve the entire country of Spain.

These new coal plants have created problems such as widespread pollution. Sixteen of the world's 20 most air-polluted cities are in China.

Even with the influx of plants and patchworks to the grid, there are various areas of the country that still have uncertain access to power. In 2004, China had a power shortage in 24 of its 31 provinces. They are struggling with the mammoth task of trying to keep pace with their energy needs. Since 2001, their consumption has grown at a rate 1½ times the growth of its overall economy. So we see that China, because it was poorly endowed with natural resources—except for coal—has increasingly become dependent on oil imports.

Now China relies on the Middle East for half of its oil, which is similar to our circumstances. Beijing has been racing around the world trying to lock in production for oil and gas in Canada and Saudi Arabia, and they are looking at suppliers for a variety of energy needs. Unlike the United States, they are looking in places such as Sudan, Angola, Burma, and Iran. As one of our distinguished international national security experts, Henry Kissinger, has suggested, energy resources may cause international conflict in the coming years.

So what do we need to do about that? I believe we need to get serious about this effort here and that the United States and China share concerns about high oil prices. We have a common interest in working together to mitigate global supply shocks and resulting price spikes.

Both nations need to work harder to increase energy efficiencies and to achieve continued economic growth. There is no reason the United States and China should not work together on the same side in virtually all international energy negotiations.

Currently, this is far from the case. Today, China views the United States as a competitor in these energy markets, and we look at them the same way.

The congressionally chartered U.S.-China Economic and Security Review Commission warned of a ''petroleum collision course well before the world's aggregate petroleum supply is exhausted.''

I think they are saying that because they realize this collision course could be avoided if we work aggressively.

This Senator believes we must take three concrete steps that will put us on a proactive path for engagement and cooperation.

First, President Bush should work with President Hu to convene a U.S.-China energy summit.

Second, we should put at the top of our agenda an effort to establish a U.S.-China working group with Cabinet-level leadership from the administration. Establishing such a group was one of the major recommendations of the U.S.-China Economic and Security Review Commission in a report to Congress in 2005.

Specifically, this proposal reinvigorated a 1995 U.S.-China energy efficiency and renewable protocol which I think we should get back to.

At the time, over 30 U.S. firms were involved in activities and programs which were designed to strengthen the bilateral cooperation and advance the role of the private sector by the United States in China's energy development.

A permanent working group would also be necessary to oversee any kind of joint R&D effort and could serve as an arbiter and negotiator for technology transfer issues.

And, third, I believe, in addition to the bilateral engagement, we should work to bring China into a membership of the International Energy Agency.

I know the Presiding Officer has thought a great deal about energy issues, energy cooperation, and protocols. The International Energy Agency is an intergovernmental organization with 26 different member organizations which prepares and seeks information about how to mitigate global supply and shocks.

In recent years, this organization has served as a clearinghouse for information on global energy prices and technologies. With China's membership in this organization, I believe we would see a lot more cooperation and information that could help us mitigate some of these spikes.

Some people have looked at China's energy policy and called it ''mercantilistic'' as they go around and buy up these resources at the wellheads in various regions of the marketplace. Encouraging them instead to be involved in the IEA would move Beijing to be a more constructive player in the global energy marketplace.

Clearly, these initiatives—a Presidential summit, establishing a direct U.S.-China working group, and promoting China's engagement in the International Energy Agency—are just a few steps down a very long road to a complicated energy security issue.

But it is clear that the economies of the United States and China are now intertwined, and our energy security should be considered with a common purpose.

This issue will color our relationship with China for decades to come, but if we are direct and proactive in our engagement, there is also opportunity, and an opportunity for the United States in meeting China's energy needs is key to their domestic stability and economic growth. Improved cooperation between our nations could have significant economic benefits for both countries.

Let me talk about that innovation for a second.

The reason I am raising this issue within the context of today's debate is because we are missing an opportunity today. Rather than simply focusing on drilling, we should be debating what is going to give America and American companies the lead in 21st century energy technology.

Because there is an opportunity on the horizon in China and other growing economies, there is a huge opportunity to export American technologies and products, but we need to seize the technology lead to do so.

Earlier, I spoke about the challenges China faces with its incredible growth in demand. Modernizing China's domestic energy infrastructure will require a $35 billion investment. That is every year for the foreseeable year—$35 billion in investment every year for the foreseeable future.

So we must work to open up these Chinese markets to grid management software, smart metering technology, new transmission technology, biomass and biofuels, and related innovations. These things are emerging technologies in the United States, which we

could further accelerate not just for our domestic benefit, but also as a supplier for that growing, demanding Chinese market.

Given the evolving nature of China's energy industry from its complete state-controlled entities into more hybrid models, we can help crack open these markets, I believe, overnight, and gaining entry, once again, requires us to be very proactive and engaged, with a sustained commitment. I believe whoever develops these technologies that break through to these economies will hold the key to the 21st century. I want the United States to be the technology leader there, and I want us to continue to look for these huge market opportunities to do so.

Essentially, China today has a 20-percent more fuel-efficient target than we do. The 2005 renewable energy law mandates that 15 percent of China's energy comes from renewables by 2020, and the plant also sets a 20-percent savings standard for new appliances and other technologies.

Consistent bilateral involvement with U.S. counterparts through a U.S.-China energy working group could help foster the changes that we would like to see with U.S. technology companies and could help us grow those businesses and opportunities.

Figuring out how to navigate these barriers, as I said, I believe requires greater cooperation and greater administration involvement in making sure there is a U.S.-China relationship.

The International Energy Agency estimates that China will spend $2.3 trillion over the next 25 years to meet its growing energy demands, and that just modernizing its electricity grid would require $37 billion annually, a figure that I referred to a few moments ago.

So these are great opportunities for U.S. markets. They are great opportunities to show that we can work together to be effective. For example, already some organizations on the west coast are working together with private foundations and public-private partnerships. For example, last year the State of California signed a pact with a sister province in China to provide technical assistance to work together on demand-side technologies. The agreement came in large part due to the work of the U.S.-China Efficiency Alliance, a nonprofit group that counts as its founding members and leaders various State officials, academics, environmentalists, and, obviously, some of the large utilities.

The reason China is a huge market for these kinds of opportunities and that this is taking place, obviously, from the west coast perspective is because the west coast has already had an aggressive trade relationship with China and also has been aggressive about these clean energy technologies. So this is happening to a certain degree already on the west coast, but it is a great economic opportunity for our entire Nation if we continue to accelerate it.

The question I have in mind today is, why are we ignoring this larger debate and opportunity? Why are we not debating a larger energy bill for the 21st century in which we continue to promote the energy innovation that can lead to a cleaner environment, better energy security, and certainly greater national security?

Fourteen years before he went to China, Senator Magnuson told the Seattle PI newspaper that failing to trade with China was basically ''pretending 700 million people in the world don't exist.''

Thirty-three years later, it is about time that the United States really understand that phrase. It is time that we understand the internal transformation and opportunity to work together on energy policy to solve some of our common problems and realize some of our great economic opportunities.

I hope next week we will continue to discuss various energy policies. I hope we will continue to open up this legislation to further amendments so that we can get to other issues that will really help the United States succeed in addressing our energy challenges.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ALEXANDER). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. LANDRIEU. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. LANDRIEU. Mr. President, I have come to the floor again today to speak about the bill Senator DOMENICI and many of us have brought before the Chamber. The Presiding Officer has been a great leader in this effort to fashion a bill that has many fine points and good points and needed points for the country.

One, it would provide us with a new source of oil and gas that will help us increase supply in hopes of reducing and stabilizing the price of oil and gas in this country. The other fine and wonderful point of the bill is that it takes a portion of the revenues that are now going into the Federal Treasury—but future revenues—and dedicates them to a conservation royalty, because Mother Nature every now and then needs its share, too. Being from Tennessee, Mr. President, and a leader in the environmental area, you most certainly can appreciate the value of that.

Of course, the great point for Louisiana, the gulf coast—not that those two points aren't very exciting to us as well—is the chance to have a new source of revenue to actually reverse decades of loss of precious and valuable wetlands. These wetlands not only protect the 10 to 15 million people who live along the gulf coast from Texas to Alabama, but also that will restore the wetlands, which we in Louisiana call America's wetlands because it is the mouth of the greatest river system in North America. So many of these wetlands help the industries of trade, commerce, oil, gas, fisheries, and the general environment for the whole Nation.

But today I wish to speak a little bit more about the history of how we got where we are today and then talk about the value to the Nation of taking such a positive step forward, a big step, a positive step and a step absolutely in the right direction. Yesterday, Senator DOMENICI, the chairman of the committee, and I spent some time clarifying the record regarding President Truman. The fact is, this was not MARY LANDRIEU's idea, as much as I would like to take credit for it; this was Harry Truman's idea: to establish a partnership with the States when oil and gas was first discovered, knowing it would take a strong partnership to sustain this effort over time, and an interest on the part of the Federal Government, the local government, and the State government to engage in the technology necessary and the financial wherewithal necessary to pursue this frontier, basically, whether it was the frontier of the West or the frontier on the Outer Continental Shelf, to get the natural resources to make this country great.

Now, of course, President Truman, having come from the experience of the Second World War, really understood what he was talking about because although our military and the allied forces were quite spectacular in winning that war, sometimes I think we forget that it was the steel workers and the iron workers and the shipbuilders and the boat builders and the women and the families who sacrificed at home, saving their pennies to send every spare item we could for the machinery necessary to win a war. Yes, it takes bravery. Yes, it takes men and women in uniform. But it also takes a lot of steel, a lot of supplies, a lot of petroleum, and a lot of natural resources to win a war. America won that war in large measure because we had the natural resources and the military might combined to provide the strength to the allied forces to win the great war.

It was America's oil production—America's oil production—that Winston Churchill said made him transfer the British fleet from coal-powered to oil. Here is a nation literally under siege, and a great leader makes a strategic decision. He would rather depend on American oil than maybe his supplies of coal in Europe to give him the staying power to sustain that war. In the Second World War, German tanks stalled for lack of fuel, and Japan had to cut the operations of her fleet. It was America's natural resources that propelled our allies to victory.

I think perhaps sometimes in this world in which we live, where everything seems so automatic and you just turn on a switch and the lights come on, you plug in your computer and it

gets booted up, you turn your coffee on in the morning and it automatically smells beautiful in your house, it takes a lot of effort to produce the energy which is necessary to make our lives the most comfortable the world has ever known and perhaps will ever know. But in the Second World War, they understood they needed lots of things to win that war, and one of them was the natural resources of oil and gas. We didn't know too much about the environmental aspects of it back then but, frankly, all we cared about was getting our troops home, beating the Germans, winning the war, and saving the world for democracy, which we did.

Then, through the 1950s and 1960s, we got smarter, just as you should if you are growing all the time and you learn, and we understood better about the environment. Then something went wrong in the 1960s. Something happened in the 1960s. We forgot where we came from. We forgot the sacrifices that had been made. We had a very dramatic spill off the coast of California—not a pretty picture. The country was on fairly good financial footing, and we just sort of started backing up. In my mind, we have been backing up ever since.

We need to get in a forward gear with a proper mindset to move this country back in the direction of natural resource production, with all the benefits of the new technology, with all the benefits of knowing the mistakes we made—no turning our back on them—not pretending the spills didn't happen, and not pretending oil and gas isn't a dangerous business at times.

I can remember seeing on television one night—I think it might have been on the Discovery Channel, which is a wonderful channel my family enjoys watching—they were talking about how we first designed hot water heaters. Of course, we take hot water coming in our house, clean water in America and hot water, for granted. It happens so frequently, we don't think about it. But when I was watching this on television, the story was saying we didn't always have hot water in our houses and it was quite a feat to try to get hot water heaters.

In the beginning, when people had them—and I am sorry I can't remember the year—they kept blowing up, and they would just blow people's houses up and people got hurt and people died. But nobody said: Oh my gosh, we just can't have hot water. We pursued and developed the technology, and now we take for granted the most amazing thing which is in almost every house in America: you can turn on the faucet—not in New Orleans, where you can't get any water pressure today, but in most places you turn on the faucet and get clean hot or cold water, to the temperature of your choice. But it didn't happen because there weren't accidents or problems, but we learned and we perfected the technology. You can say a thousand times how that happened in America, but for some reason we got stuck on this natural resource issue and can't get off of it.

We have an opportunity this week to move past the 1960s and 1970s and to be responsible at a time when our country needs more gas and oil. Now, we are going to move beyond petroleum. We are going to develop new technologies. If Senator DOMENICI has his way, he would have the 15 new programs we authorized in the last Energy bill funded to actually invest in new technologies.

We are good in this Chamber about talking about things, but actually we don't put the money to them. So we sort of pretend we are doing things. But even saying that, we are making progress. I would support more investments in alternative energies and real money for real projects to move in that direction. But until we do and as we are doing that, we need to drill for oil and gas where we can.

I want to show you here in America what the pipeline systems look like today. This is the pipeline system: an extraordinary network of private sector—with government support—pipelines that bring gas from Canada, that bring gas in from the northwest part of Canada, bring a multitude of riches from the gulf, the gas connections that move up through your State, Mr. President, all the way up to the Northeast. And then you can see another in north Texas, in Dallas, Oklahoma gasfields, because, of course, Oklahoma and Texas understand gas. They have a lot of it. It is shallow in large measure, but they are producing a great amount of gas for the Nation. This is what it looks like now.

This is the area which we along the gulf coast understand is rich in natural resources, and we have almost perfected the technology to reduce the footprint, to drill far down into the floor of the ocean, deep into the coastal areas here that are abundant in resources and provide the gas necessary to keep people cool in the summer, warm in the winter, and to keep the manufacturing sector of this country competitive because we have competitors now, big competitors—China and India—and if we don't want to lose every manufacturing job in America, and we are on track in some measure to do that, we better find some gas and oil somewhere here.

But in the 1960s, as I said, we got stuck in a place that has been dangerous for this country and went from being a net exporter to win the greatest war ever fought. But in the 1960s, the situation flip-flopped and the United States became a net importer of oil, a situation which has deteriorated to the point where today we import 60 percent of our oil. It would be bad enough if we were importing that oil from friends because when you deal with friends, maybe they would give you a good price and maybe, even if it was tough for them to produce it, they would still give it to you because they are your friends. But we are importing oil from places in the world that are not friendly, that are dangerous. When the price goes up, they are happy if it goes up higher because they know we are dependent on it. I don't know if Americans feel as strongly as I do, but I know people in Louisiana do. We are happy to have a mutual dependence, I guess. We don't think we live on an island, but we don't like to feel dependent. We like to feel strong. We like to have choices. When you owe people a lot of money or you get your oil and gas from people and can't get it yourself, it puts you in a dependent position—not a good place to be most of the time. That is the place we are in right now in America. So one of the reasons this bill is so important is that it reverses 30 years of drift, 30 years of not clear thinking about what dependency really means, and we have to make the change.

I would like to see this bill be a little broader in its scope, but it has been a compromise, and that is the nature of our political system. This is not a dictatorship, it is a democracy. We on the gulf coast have worked out a system that seems to work pretty well, protecting Louisiana and Mississippi and Alabama, and respecting our friends in Florida who have chosen a different path for this time, and that is just the situation we are in right now.

I think as we open this 8 million new acres here and we can see more of the benefits for the whole Nation, that perhaps, as some of us continue to speak and travel the country and speak about the benefits of being less dependent on foreign oil and gas and more independent, more self-sufficient, and developing alternatives and conserving where we can as well, maybe the situation will change. But this is the step which needs to be taken.

Some people say: Oh my goodness, there is just not enough oil and gas here. I want to tell you how much there is. It contains enough natural gas to heat and cool 6 million homes for 15 years. It holds six times the amount of liquefied natural gas imports we are importing today. It represents more oil than we import from Saudi Arabia, and it will produce more oil than found in the reserves of Wyoming and Oklahoma combined. So I know when you look at the whole country and you see just this little 8,337,000 acres, people say: Oh my goodness, that is not very much. But it is more than the reserves of Wyoming and Oklahoma combined. This is a very rich area, and Americans deserve to benefit from the natural resources that belong to them.

Believe me, people around the country, some people think: Well, they must not care about their environment.

I do not have a statistic about this, but I bet people in Louisiana and Mississippi and Alabama and parts of Texas spend more time in the water than anywhere else because we are hot most of the time and we like to swim. We swim in our bayous and we swim in

our lakes and we swim in our gulf water, and we swim all year because it is warm all the time. Our temperatures are good throughout the year.

I do not have statistics on it, but I bet you we fish more per capita. We have more fish than we know what to do with. I laughed when I told my children—I took them out fishing in the West—not to be critical of the West. It is beautiful, of course. But we fished in a stream, and the rule was, after you caught three fish, you had to throw them back. My son, who is 10 years old, said: Mother, I have never been to a place where you have to throw the fish back, because where we fish, we have limits, but they are pretty good limits. You can catch 30 redfish, lots of trout, and you keep them and then you eat them that night. This would be a sad world if you had to throw back every fish you caught. It is a matter of managing your resources. We do that very well.

People look at me, and they think: MARY, you are not saying the truth. But I am. The best fishing is around the rigs. The best fishing is around the rigs. And when you are on these rigs—these big platforms—you can look down, and you can see the fish. I do not need to read this in a statistic. You can see the fish around the rigging. Why? Because it acts as an artificial reef, and it creates a food supply, and the fish naturally gather there. So we have been doing this a long time in Louisiana. We would not suggest it.

We do have beaches. We do not have the same kind of beaches as Florida, but we have a proud and beautiful wetlands. We are concerned about our environment, and we know that while there every now and then are mistakes, the technology is getting better and better and better, and we can get American gas so we do not have to talk to Iran, if we do not want to, we do not have to send our troops to Iraq unless there is good reason, and we can keep our business right here in America.

I want my colleagues to know how appreciative I am, and Senator VITTER, for the help and support for this bill and what it will mean to the gulf coast and for Louisiana to save our wetlands. But I also want to say that for the Nation, as a Senator, I know this is the right thing. And it is long overdue. We have to open up resources in this Nation and use the technology.

Now, I do not know when we got off this track. I do not know when it happened. I do not know if it was gradual. But we have to be confident in our ability to move forward and to not be afraid but to be bold and press this technology so we can have the independence and energy we know we must have.

I look forward to the day when I do not think my children will have to be dependent on either China for financing or the Mideast for oil and gas, that they can be like my parents' generation: pretty darn independent. We better get back to that independency in this country. We can make friends when we want to, but we do not have to when we do not need to or do not want to.

In addition, I say to the Presiding Officer, because you have been so good about this issue, I want to say something about a program. There is a program—we have tried to make it a trust fund. We did not succeed. But in 1965 some very bold, progressive-thinking individuals created the Land and Water Conservation Fund because they knew the American population was going to grow exponentially.

We now have almost 300 million people in this country, and many people around the world who want to come and live here, as you know. So we created the Land and Water Conservation Fund, a little program relative to the billions of dollars we spend up here—only $450 million for the State side and $450 million for the Federal side—to try to provide some—in the scheme of things, it is pennies—to provide for parks and recreation and the expansion of bike trails and walking trails and to preserve the great outdoors.

I say to the Presiding Officer, you have been a great leader on the outdoors. When you think about the beauty of the Smoky Mountains and you think about the beauty of the Rocky Mountains in the West, you think: Please, God, don't let us ruin that. Let us keep it.

Well, the way you keep it is not by wishing for it but by paying for it. And the way you pay for it is to put it in your budget. We tried that, but it did not work. So in 1965 we spent $10 million in the whole country. In 1982, we spent nothing because it got zeroed out. Then, in the 1980s, it went back up. You can see basically the high point was in the late 1970s, at $350 million. One time, 1 year, we sent $350 million out to all the States, which is not very much money per State, to help them with parks and recreation. Even though this was not much, I will tell you what this money did. It built thousands of parks and thousands of ballparks for our kids to play in and helped shore up the urban parks in New York and New Orleans and Memphis. It saved the redwoods. It helped to establish the great wilderness in the Smoky Mountains. You could go on and on with what this little money has done because it got sent to the States. They stretched those dollars, and they made it work.

In this bill, we have a plan to fund this gradually until it will go up to, hopefully, $450 million out of new revenues. So it does not contribute to the deficit. It does not take one penny against any other program. But it helps us to build the parks and recreational areas so my children and grandchildren can continue to swim in those bayous, can continue to enjoy Lake Pontchartrain, and whether they are in an urban area in a little pocket park or in the great Smoky Mountains where they could walk for days without seeing a person and only a few bears—wherever they are, they can enjoy it.

So that is a great thing this bill does. I hope it survives the conference and the negotiations because sometimes Mother Nature does not have the advocates she needs here in Washington. This bill we have presented is not only good energy policy—because we need more production—it is good environmental policy, and it is good economic policy.

One final argument I would make for the bill is this: I know anytime you bring a bill to the floor, everybody has an important amendment. I have several other amendments. People could not believe it, but I want to have several other amendments on this bill. I know my colleagues have some great ideas. And they say: Well, why can't we debate all sorts of other things? Why do we have to debate the focus of this bill?

I have an answer for that. Because we debated, for the last 6 years, an energy bill. We debated for 6 years—day after day, month after month, for 6 years—up until a few months ago an energy bill. We had CAFE amendments. We had alternative fuels. We had reliability amendments. We had nuclear power. We had amendments about how to distribute the waste from nuclear power. Should we use electricity? We debated and debated everything about it.

So I do not want people to be left with the impression that those of us who are on the Energy Committee provided no opportunity for people to debate. We literally took 6 years to pass—10 years—10 years, excuse me, to pass the last Energy bill. So 10 years we debated. We do not have 10 years. We have until August. We have until September. We have to limit the debate. I know it is unusual, but we have to take, in my view and in Senator DOMENICI's view, a positive step forward. We have time again to debate CAFE. We debated it for the last 10 years, and we will debate it again.

But right now let's take this time to remember our history, to remember the great strength natural resources are for the country, to not think of this as helping the gulf coast, which most certainly needs help, but that it is the right thing for America at the right time for America, and in a way that honors the spirit of this body, which is open to debate. We do many debates, and will continue, but for this bill, let's pass it. Let's send a signal to the American people that we are changing course.

Today's debate is focused on 8.3 million acres of submerged land in the Gulf of Mexico, but it is really about something much broader and much more important. It is about our country's future.

It is hard to believe today, given the complete turnaround in circumstances, but the energy reserves of this country were once the security blanket for Western democracies.

When Winston Churchill, as First Lord of the Admiralty, transferred the British fleet from coal power to oil, he did so knowing that it was American oil production that he would rely upon in a crisis.

In the Second World War, as German tanks stalled for lack of fuel, and Japan had to cut the operations of her fleet, it was American natural resources that propelled the allies to victory.

U.S. energy production was a strategic asset that allowed our economy to hum in the 1950s and become the envy of our competitors during the cold war.

Yet sadly, we allowed this great strategic advantage to slip away.

Economics played its part. At the same time as U.S. energy resources became more scarce, readily accessible oil from the Middle East started to come online.

By the 1960s the situation had flip-flopped. The United States became a net oil importer—a situation that has deteriorated to the point where the United States must import 60 percent of the oil, making us the largest consumer of energy in the world.

The truly frightening thing is that this country is bracing to allow the same circumstance in natural gas. With seemingly no one guiding our strategic energy direction, this Nation is now preparing to double the amount of natural gas imported into this Nation by 2014. The country is faced with 45 planned or proposed liquified natural gas terminals. While it is obvious we need them, we must also acknowledge that we are building the infrastructure of dependence.

So one of the reasons this bill is so important, is that it reverses 30 years of drift, 30 years of policy avoidance masquerading as an energy policy. We are sending a signal to the American public and the world that we are serious about regaining the strategic initiative in energy.

We are in a hole that took a long time to dig, so we must understand it is going to take us a while to dig ourselves out.

But we are not going to allow American security to be crippled by this strategic weakness any longer. The idea that we can do this by additional exploration and drilling alone is false on its face. But it is equally false to say that the step we take today will not help.

For the first time in 20 years, America is taking approximately 6 million acres of land that is currently under moratoria out of moratoria. That is a signal that we are getting serious. Furthermore, we are opening up a resource-rich region of the coast. It contains enough natural gas to heat and cool nearly 6 million homes for 15 years. It holds six times the amount of our annual LNG imports. It represents more oil than we imported today from Saudi Arabia. It will produce more oil than found in the reserves of Wyoming and Oklahoma combined.

That is an important step, and it sends an important signal to the world.

A couple of months ago, I hosted a group of French Senators who are involved in energy issues for their nation. When I showed them a map of the coastal resources that we have put off limits in this country, their mouths dropped. They could not believe that we would place so much of our security in foreign hands, while tying the hands of American production behind its back.

We have taken an attitude that somehow drilling and tourism are incompatible no matter the distance involved. Do you know that our colleagues in France are drilling for oil on the outskirts of Paris? Now that is making energy independence a priority.

Richard Holbrooke is well known to Members of this Chamber and has engendered real respect in the foreign policy community. He stated that our failure to reduce our dependence on foreign oil is the greatest failing of this country over the last 25 years. I agree.

We can only wonder what an American foreign policy not hobbled by dependence on foreign oil would look like. I promise you this, everyone in the world would sleep a little safer.

Iran derives 50 percent its revenue, and almost all of its hard currency, from the sale of oil. We know where those revenues go. They go to Katushka rockets, they go to Hezbollah terrorists, they go to a covert nuclear weapons program.

It is fine to say that the United States does not buy oil from Iran. But oil is a global market. It does not matter if it is Americans who buy the oil from Iran or the Chinese. If demand is high, Iran will derive huge revenues.

The truly sick piece of this policy is that the American public pays twice. First, they pay at the gas pump, and then they pay taxes so that our Government can spend billions of dollars trying to undue the evil that Iran propagates around the world. It is like giving money to the neighborhood burglar so that he can buy a gun.

It is time that our country retake the high ground and the strategic initiative on energy. This is only the first step of many. Conservation, alternative energy, nuclear power must also all receive consideration and attention from Congress. But this is a step that we can take today.

It took the Congress a decade to pass an energy bill—we did it with bipartisan leadership last year. Imagine the signal we are sending by passing another important piece of energy legislation within a year of that effort.

Mr. President, I yield the time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER (Mr. COLEMAN). Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I ask unanimous consent to speak in morning business for as much time as I may consume.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. DORGAN are printed in today's RECORD under ''Morning Business.'')

Mr. DORGAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SALAZAR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SALAZAR. Mr. President, I rise today to discuss S. 3711, the Gulf of Mexico energy bill which is before the Senate.

At the outset of my remarks, I say I come to the Senate today to speak about this particular bill with a heavy heart. It is a heavy heart because the approach which the Senate Committee on Energy and Natural Resources has taken over the last year and a half has been a good template for how we ought to do the business of our country; that is, bringing Republicans and Democrats together to try to work out an agenda in the best interests of America.

In this particular circumstance with this bill, with the opening of the gulf coast of Mexico, we did have a bipartisan bill that emerged from the Senate Committee on Energy and Natural Resources. Unfortunately, from the time it came out of the Senate Energy and Natural Resources Committee until today, it has been changed in some significant ways.

The concerns that have been raised by ranking members are legitimate concerns for several reasons. One is a reason related to the relationships in this Senate and how we get along with each other to try to come up with solutions to face the common problems we face in America today. We were able last year in the Senate Committee on Energy and Natural Resources and the Energy Policy Act of 2005 to put together the kind of broad bipartisan coalition that emerged in a good bill. It was not a perfect bill, but it was a good bill.

I hope the relationships that carried us to a successful conclusion with the Energy Policy Act of 2005 will be more the norm around here than the exception. I am hoping, as we work our way through this particular legislation, that those positive relationships will also be restored.

From my point of view, when we worked on the national Energy Policy Act of 2005, I saw that as an effort, as a Democratic and Republican effort to build a house of energy independence

for America. I saw the house of energy independence being built on cornerstones that are important for us to achieve energy independence.

We knew then and we know today that we could do much better with conservation. The experts at the Department of Energy tell us in the Senate, oftentimes in our Senate Energy and Natural Resources Committee, that we waste 62 percent of the energy we consume in America today. We in America can do better. We can do a lot better with conservation.

The experts also say we are at the dawn of a whole new revolution with respect to biofuels. There are many Members of the Senate who have worked to advance the cause of biofuels over the last several years. That renewable energy future for America has great potential to help build this house of energy independence.

Third, a key cornerstone is the new technology being advanced and explored throughout our country, including the possibility of looking at things such as coal gasification. We know coal for the United States is no different for us than oil is to Saudi Arabia. We have vast resources of coal. The only problem we have with coal is when we burn it, there are environmental problems created. As we have the technological breakthroughs in coal gasification, we can take advantage of one of the greatest natural resources we have in our Nation. So technology is one of the cornerstones, one of the keys that will help get us to energy independence.

Finally, the development of our natural resources is very important. For instance, on the gulf coast or mountain lands of my State of Colorado, it is important that we develop those natural resources in a way which is sensitive to the environmental impacts created from that development.

As we move forward and look at the possibility of the increase in the modest production which will come from the opening of lease 181 and the area to the south, we ought to look at other issues relating to energy and energy independence.

With gas prices over $3 a gallon and with growing instability in the Middle East and a deepening dependence on foreign oil, today should be the day in the Senate where we are talking about the broad array of ideas relating to energy independence. We ought not to be so narrowly focused on a very small development in the Gulf of Mexico—an important development, but nonetheless, in the grand scheme of getting us to energy independence, it is simply a small step in that direction.

Now is a time for this Nation to embrace new ideas with regard to energy. Now is a time for a real discussion of energy in this Senate. It is time for a new direction for America as we look at the future of energy for this country and for our world.

Gas prices today have jumped 25 percent in just a little over a year. And let's not forget they have doubled in the last 3 years. Today we are paying twice as much for gas at the pump as we were 3 years ago.

Second, we remember, at the near anniversary of Hurricane Katrina, the great disruptions that were caused across America because of Hurricane Katrina, those disruptions showed the vulnerabilities of our oil and gas infrastructure.

Third, today we are facing a deepening cycle of violence and confrontation in the Middle East, making it a stark reminder to all of us that our overdependence on foreign oil brings grave risks and dangers to America's security.

The American people and a large bipartisan group of Senators in the Senate share a vision for an energy-independent America. That vision is one which is powered by renewable energy. It is a vision which recognizes the new generation of clean coal and energy-efficient technologies. Unfortunately, because we are not allowed to amend this bill, we will not have the chance to have that discussion about these ideas which have been generated by many of the Senators in this institution. We should allow those ideas to come.

I will highlight four ideas I believe we should be considering in the Senate today.

First, we should create a national renewable electricity standard. We passed a renewable portfolio standard less than 2 years ago in Colorado. It is a modest standard. It was not a standard that required 30 or 40 percent; it required 10 percent of the power the utility companies deliver to come from renewable resources by the year 2037. That forward-thinking initiative has already spurred a boom in renewable energy production in our State, creating jobs and revitalizing rural economies. You see them in the wind farms in Logan County. You see it in the solar energy utility farms now being built across my State. We can do the same thing on a national level. In fact, Senator BINGAMAN's renewable portfolio standard that passed in the Senate last year but was rejected in a conference with the House was a step in the right direction. We should have that kind of a standard, or perhaps we could try flexible renewable electricity standards that account for regional differences in our country. There is no doubt that a renewable electricity standard would usher in a new era in renewable energy production across the country. That would, in turn, reduce our dependence on fossil fuels.

Second, we should establish aggressive goals for reducing our dependence on foreign oil. We should employ the full force of our policies in our Nation to achieve them. S. 2025, the Vehicle and Fuel Choices for American Security Act, which has 25 sponsors, Democrats and Republicans alike, establishes achievable goals of saving 2.5 million barrels of oil a day by the year 2015, 7 million barrels a day by 2026, and 10 million barrels a day by the year 2030. We should be having a debate on S. 2025 in the Senate today.

Third, we know we must do a lot more with biofuels. We must also do more to put biofuel-powered vehicles on the road. Right now, the United States consumes about 20 million barrels of oil a day. Two-thirds of the oil we consume is for transportation. We need to substitute that oil with biofuels, biofuels grown right here in America, on our farms and in our fields. To do this, we need to bring more gallons of biofuels to the market. We need to give consumers access to alternative fuels at filling stations.

We need to retool America's vehicle fleet to run more efficiently and on alternative fuels. S. 2025 does this, and we should bring to the floor that legislation so that we can have a discussion about the positive contribution that would make on our road to energy independence.

Finally, we should have a candid discussion of how we can improve the fuel economy of our vehicles. A number of proposals are circulating in this Chamber that would, for example, raise CAFE standards or implement a ''feebate'' program. Last week, Senator COLEMAN, along with Senator OBAMA, and others, introduced a bill that takes a somewhat different approach to raising fuel standards—one that moves us in an honest direction to have a much more efficient national vehicle fleet for America.

Mr. President, there are many other great energy legislative initiatives circulating in this body. You see them in the Clean EDGE Act, the Vehicle and Fuel Choices for American Security Act, the Enhanced Energy Security Act of 2006, the Alternative Energy Refueling System Act, and other bills that have yet to receive appropriate attention. We should bring them forward to the floor. It is not as if they belong to one party or the other. The Roman philosopher Seneca once wrote: ''The best ideas are common property.''

We ought to be thinking about energy independence, not as Democratic or Republican ideas. We should be thinking about them as American ideas. The question is, How do we as an institution, as the Senate, move forward in a new direction to get us to energy independence?

It is time that we write an additional chapter in the energy future of America that takes the building blocks of the Energy Policy Act of 2005 and moves forward with the great ideas that have been developed by so many Senators over the last year.

Mr. President, may I ask how much time I have remaining?

The PRESIDING OFFICER. The Senator has the floor.

Mr. SALAZAR. Mr. President, I see my colleague from New Jersey. Through the Chair, may I ask the Senator how long he will be?

Mr. LAUTENBERG. Mr. President, recognizing that our colleague from the other side is here, traditionally, we

switch sides on recognition. I ask that after our colleague from Wyoming speaks, that I have 20 minutes to make mine.

Mr. WYDEN. Mr. President, I ask unanimous consent that after Senator SALAZAR finishes his remarks, and Senators THOMAS and LAUTENBERG finish, I may speak as in morning business. I will revise that. I ask unanimous consent that after Senator SALAZAR is done and Senator THOMAS is done and Senator LAUTENBERG is done, that I may speak, unless another Republican comes to the floor, and that if another Republican comes to the floor, that I be allowed to speak after that in morning business.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. SALAZAR. Mr. President, I thank my colleagues. I think that order makes sense as we proceed with the discussion and debate.

I want to make a point about the contributions of my State of Colorado to oil and gas development for our country. We know natural gas prices are spiraling out of control, hurting families and farmers all across this country. Colorado farmers, for whom natural gas is an essential ingredient for their fertilizer, are already suffering under the weight of very high gas and diesel prices. Now they are also having to pay record prices for fertilizer. Needless to say, they are struggling to make ends meet.

Colorado is doing more than its fair share, much like Wyoming, to help our country produce more natural gas. There are currently some 29,000 producing natural gas wells in Colorado, and industry estimates project that between 24,000 and 27,000 new domestic gas wells will be developed every year to meet the growing natural gas demand in our country.

I am proud that Colorado is home to such a wealth of resources and that we can help our country through this energy crisis. But we have also paid a price for these contributions. We know the development must be done in an environmentally responsible way, but the rapid pace of exploration and development is having a huge impact on Colorado's land, water, and communities. The vast open spaces of the Rocky Mountain West are home to pump jacks, pipelines, roads, and compressor stations. Many communities are very concerned. Hunters and anglers are seeing habitat loss and wildlife depletion. Local communities are fighting to protect their watersheds from lease sales that could jeopardize the safety of their drinking water.

While I am proud that Colorado can help satisfy the Nation's energy needs, we should also be pursuing balanced production of our resources in the Gulf of Mexico. As much as possible, the country should share the benefits and burdens of our energy production, including the production and revenues from the Gulf of Mexico.

As I have said before, S. 3711 will make modest additions to our oil and gas supplies with additional leasing in the Gulf of Mexico. It is not, however, a perfect bill.

I deeply respect the concerns that Senator BINGAMAN and several other colleagues have made about the fiscal implications of this bill. The new areas being opened for leasing, they point out, come at a high price. These leases will be on Federal submerged lands on the Outer Continental Shelf, which belong to the taxpayers of all 50 States. Yet 37.5 percent of the revenues from those leases will be paid directly to only four Gulf Coast States—Texas, Alabama, Louisiana, and Mississippi.

I appreciated hearing Senator BINGAMAN's thoughtful presentation on the fiscal repercussions of this revenue distribution, and I applaud his work on the OCS issue, both in this debate and in the consideration of S. 2253, which was a bipartisan bill that emerged from the Energy Committee.

As I said, this bill is not perfect, but it does, for the first time, establish direct funding for the Land and Water Conservation Fund stateside grant program. It is truly historic that we are finally creating an honest to goodness conservation royalty for offshore leases. I appreciate Senator LAMAR ALEXANDER's work on this initiative.

In 1964, Congress passed the Land and Water Conservation Fund Act, which said that if we are going to drill for oil and gas in the OCS, we should be reinvesting a part of those revenues in parks, trails, and open space for the use and enjoyment of the American people.

President Kennedy's vision and Congress' vision was a bold one in the early 1960s. They authorized $450 million a year for the Land and Water Conservation Fund stateside grants program to be provided to States and local communities as matching grants, to help them build ball fields and trails, to help protect wildlife and open spaces across America.

Unfortunately, what was envisioned as a conservation royalty has been subject to the budgetary whims of Congress. This meant that the program has been consistently underfunded. Year after year, Congress has appropriated far too little money—an average of $94 million over the program's 42-year history. In the last 2 years, the President has proposed eliminating the program down to zero.

With this bill today, we finally create a permanent funding mechanism—a conservation royalty—that Congress envisioned in 1964. This is a new chapter in the history of the Land and Water Conservation Fund. It is the first step—only the first step—toward securing full and permanent funding for this overwhelmingly successful program.

As it is drafted, this bill does not provide the level of funding for LWCF stateside that the program needs.

I want to point to this chart, Mr. President, which indicates with the red bar on the left side that the authorization amount for the LWCF program stateside is $450 million. It averaged about $94 million. About 98 percent of the counties of America benefited from the grass from the stateside program. The amount of money projected to be supplied in the LWCF through this legislation is only $15 million a year. When you take that $15 million a year and divide it among the 50 States, every State would get approximately $300,000 per year on average. That is not a significant contribution relative to the historic amounts that have been made available to the States through the assistance of the stateside Land and Water Conservation Fund program. So it is important that, as we look at this issue and this legislation, we recognize that we should not be taking away the historic appropriations that have been made to the stateside Land and Water Conservation Fund. I am hopeful that we can ensure that those higher levels of funding for LWCF can, in fact, be made.

Mr. President, the prospect for LWCF stateside funding after 2017 is a little less clear. Because spending after 2017 is outside the budget window, it is not included in CBO's score of the bill. But based on available estimates of revenues and direct spending under the bill, it is likely that, beginning in 2017, stateside LWCF will receive at least $125 million per year. Indeed, it appears likely that beginning in 2018—12 years from now—stateside LWCF will receive additional funding from ''new receipts'' from the area 181 and 181 south.

Mr. President, Senator ALEXANDER and I introduced legislation, S. 3562, that would fully fund the stateside LWCF. I have prepared an amendment that echoes that. It would provide at least $125 million per year of funding for the stateside LWCF program beginning in 2007 and at least $450 million per year beginning in 2017. My amendment would direct revenues from the renegotiation of leases issued for the production of oil and gas from the OCS that provides royalty relief without the necessary price thresholds.

The Federal Treasury is owed billions of dollars for those leases. Those leases mistakenly have provided royalty relief without these price thresholds. My amendment, with its $125 million annually between 2007 and 2016 and up to $450 million per year beginning in 2017, would ensure that stateside LWCF will be adequately funded.

Mr. President, I wish we were having a larger debate on the energy policy for our country. I wish we were bringing some of the new ideas on energy legislation to the floor. I believe the American people deserve a great public debate on our energy future and they deserve a comprehensive forward-thinking energy policy. But for now, we must satisfy ourselves with what is at hand: a bill that includes modest increases in production in the Gulf of Mexico and, I am proud to say, a conservation royalty.

Mr. President, I ask unanimous consent that Senator PRYOR be the next Democrat to speak following Senator WYDEN, with the understanding that we will go back and forth to a Republican Senator in between them if a Republican Senator is here.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wyoming is recognized.

Mr. THOMAS. Mr. President, we have had a long and important discussion about energy. Indeed, there is nothing more important to this country than to proceed with that. I am proud to say we have an energy policy that is quite broad. Of course, our challenge now is to implement that policy.

I rise today in support of S. 3711, the Gulf of Mexico Energy Security Act. I begin by saying that the economy is doing well; that we require greater supplies of energy is proof of that fact. There is more demand than there has been in the past because our economy is strong. This is not to say that Americans are not struggling with the costs of energy. Of course, they are. We are. The price of gas, the cost of heating and cooling their homes, the need for electricity provides for difficult problems. This is true in Wyoming, where we must drive long distances, and we have cold winter seasons. We know how to solve the problem. We need to increase our supplies.

The bill we are discussing today will provide 1.26 billion barrels, 5.8 trillion cubic feet of American oil and natural gas.

There are, of course, many other things we must pursue. I understand as well as anyone that we cannot drill our way out of the energy problems we face. We must support alternative fuels, renewable energy, clean coal plants, new nuclear capacity, and increased efficiencies.

Many of these efforts will take place over the longer term. Hydrogen cars, FutureGen, and the next generation of nuclear plants will take time. There are plenty of good ideas to look for in the future. It is important, however, that we be realistic about what we can and should do to provide for our needs in the meantime.

Many of my colleagues have their own energy proposals. I have introduced a bill that would reduce the cost of energy for Americans, and it would do so comprehensively by addressing production, refining, infrastructure mileage standards, and other conservation measures.

We need to pass the measure before us today, however. The bill we are debating is a delicately crafted compromise. Chairman DOMENICI is to be applauded for his hard work on the measure.

The bill we are debating today will increase domestic supplies of oil and gas. It will do so in a way that is sensitive to the environment. It will make us more secure and strengthen our economy, and that, of course, is the goal. It represents an agreement between the States that are most directly impacted by the gulf coast production.

The timing of this debate coincides with the release of second quarter financial statements. We heard this morning from the distinguished minority whip about energy company profits. I feel compelled to respond to the issue.

As I said before, there are many Members who have energy proposals. Some of them are bad ideas. Among the bad ideas is a windfall profits tax, and that is one of the worst. It does not work. I raise this because the idea or the notion of punishing companies is a knee-jerk reaction we deal with every time another fiscal quarter comes to an end. It should go away.

As we talk about the massive profits energy companies reap, we need to remember these are massive companies. It is inaccurate and misleading to look at the dollar amounts. A more accurate measure is to look at how the energy industry is doing relative to other sectors of the economy. Let's take a look at the second quarter of the last year as an example. In terms of cents earned per dollar sales, the average across the U.S. industry was 7.9 cents per dollar. Oil and natural gas earned 7.6 cents on the dollar, a reasonable return on investment. Insurance companies earned 10.7 cents on the dollar. Software companies earned 17 cents on the dollar. Pharmaceutical companies earned 18.6 cents on the dollar.

If we are going to talk about placing punitive taxes on successful businesses that bring so much prosperity to my State, that is fine. Please know that I will ensure the inclusion of Connecticut's insurance firms, California's software industry, and New Jersey's pharmaceutical companies in that discussion as well.

Energy companies are making massive investments. Drilling rigs, pipelines, refineries, exploration, and other business requirements are not cheap. They do profit from having made these investments, but it is not out of proportion to other industries that operate in our global economy. That is the truth.

Unfortunately, this sort of talk is not only part of our discussion that must be further clarified.

When we talk about reducing prices for consumers in the short to midterm, it is clear that increasing supplies is the effective way to do so.

It is troublesome that those who complain most loudly about energy costs are the same ones who stand in the way of responsible and effective measures to do something about it.

Wyoming has been doing its part in the national supply of energy for a good long time. We need other States to follow. If you are not part of the production solution, don't stand in the way of States that are.

It is in fashion to oppose new development, for some reason. People do so under the auspices of protecting the environment. We can produce energy with very minimal impacts. We do it every day in my home State of Wyoming. It would be possible in places such as ANWR, too, if a minority of Members would not stand in the way.

We talk about NIMBY, the ''not in my backyard'' mentality. Now we are going to be told that it can't happen in someone else's backyard. We should respect that in much the same way we are respecting the concerns of Florida in this bill, and we should respect the other Gulf States desiring to allow development off their coasts.

Yes, they stand to benefit from the revenues generated by new production under this bill. I understand this production happens as far away as 50 miles from their shores. These energy products have to make their way onshore at some point, however. That requires infrastructure and ship traffic to maintain the rigs. There are impacts associated with that. We ought to help States with those impacts if they are willing to produce energy for our country.

These States are host to a significant amount of offshore infrastructure as well. The 4,000 offshore platforms in the gulf are accompanied by dozens of refineries and countless production, transportation, and marketing facilities.

Personally, I would like to see the revenues from offshore production used to reduce the national debt. We must base these decisions on the realities that exist, however. We must recognize the burdens to be shouldered by the producing Gulf States. They provide nearly 30 percent of our oil and 20 percent of our natural gas. If we act in good faith toward them, I am hopeful other States will recognize the value and benefits of taking part in offshore production as well.

There are 19.3 billion barrels of oil and 83.5 trillion cubic feet of natural gas in the ocean that are completely off limits right now. This does not make sense. We need those resources.

But what we need more right now is a bill on which we can agree. We need something that can make a difference in the short term. This bill achieves that goal. It recognizes the value of increased production and strikes the necessary balance to make those activities a reality.

I look forward to the passage of this bill, to move it forward to have more production, to increase production and reduce the costs to American users.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, today we heard some interesting news. I would have used the term startling, but based on the news we are seeing from the various war fronts, it is hard to find anything more startling.

The reference I make to this news is brought about by a report. I come out of the corporate world, so I am interested in corporate performance in this

country. I saw the report. If you watch television or read the papers—ExxonMobil, I would say, had a pretty good year. Their profit for this quarter was $10.4 billion—for the quarter. That is up from $7.65 billion the same quarter last year.

That is pretty stunning news. It is the largest quarterly earnings of any corporation in America, save one. That is in the history of this country. In the history of this country, ExxonMobil, the quarter just ended in June, was the second highest in the history of the country.

If they were selling widgets or some product, we would say: OK, that is a pretty good job. But when they are selling a commodity that people are literally begging for by way of availability, it is a different picture.

This oil and gas is so much a part of our life that it is almost like the air we breathe or the water we drink. It is incredible.

That then spurred my curiosity. I am, going to file an amendment to the Energy bill. I send it to the desk.

The PRESIDING OFFICER (Mr. MARTINEZ). Is there objection to setting aside the pending amendment?

In my capacity as a Senator from the State of Florida, I object.

Mr. LAUTENBERG. I am sorry?

The PRESIDING OFFICER. In my capacity as a Senator from the State of Florida, I object.

Mr. LAUTENBERG. I am not offering the amendment, Mr. President. I am simply filing it.

The PRESIDING OFFICER. The Chair was not clear. The Senator may submit an amendment.

Mr. LAUTENBERG. I thank the Presiding Officer.

This amendment is to change the bill's title, to call it the ''Lee Raymond Oil Profitability Act.'' I propose that we rename the Energy bill to reflect Mr. Raymond's profitability courtesy of ExxonMobil.

It is quite a thing. As we look at the turmoil this country is going through while people struggle at minimum wage jobs and we see the kinds of profits that are being made off the backs of working people, it struck me, as I dug further into the history of the company—it is a pretty well-run company, but it is so profitable because Americans are going to the pump and buying gasoline at over $3 a gallon typically. I have seen it as high as $3.35 a gallon. People who work in these gas stations can't even afford to buy the gas they are pumping. That is how extraordinary this pricing is.

I come from the corporate world and I ran a very successful company. The company is called ADP. It has been in business 50 years. I started it with a couple of other fellows, and we watched our profits carefully. So I know how to read a financial statement.

When I see this, while people are stuck at minimum wage of $5.15 for 9 years—I am going to detail some of the extraordinary results Mr. Raymond got as a result of his leadership in that company. The profits, I think, are unconscionable. I don't understand where Board of Directors' conscience is, as I read his benefits program. There is no conscience, and there is no soul at all.

At the end of 2005, Mr. Lee Raymond retired from the chairmanship and CEO position of ExxonMobil. He was working and got a decent week's pay. I think his salary was running about $500,000 a week. That permits a lot of things to be acquired. But he also then held $151 million in stock options and holdings. His total compensation for 2005, including salaries, stock options, and pension, totaled $140 million. He made $140 million running a gasoline company where prices typically have gone, since January 2002, from $2.24—and any of the audience that sees this should mark it in their mind—it was $2.24 at the beginning of this calendar year; it is now $3. That is the average price. So it has risen some 36 percent I think is what the number works out to be.

It is incredible that during this period of time, while the average working person is struggling and things are getting harder and harder, the cost for gasoline, which is a requirement for virtually every family in this country—whether they have a car or are using fuel oil in their homes—it is outrageous that Mr. Raymond, in addition to those things I just mentioned, has seen his package of stock ownership and stock options go from $151 million in this period of time—$151 million he had at the end of 2005—to $250 million now, so it is a $100 million boost. Remember, he made $25 million in salary. But the absurdity of it all and the offensiveness of it all, is that Exxon's board also agreed to pick up Mr. Raymond's country club fees so he could make sure he could buy enough golf balls for a round of golf. Country club fees, use of the company aircraft, and still pay him another $1 million to stay on as a consultant for another year. Where is their conscience? I don't understand it.

So that is why my amendment would rename this bill the ''Lee R. Raymond Oil Profitability Act.'' That is what it ought to be called, so everybody knows what is happening in this country of ours. People are struggling for a living with a $5.15 minimum wage, which has been in place for 9 years. Those people are making $206 a week, if they are working at minimum wage, and they haven't had a raise in 9 years. That doesn't matter. Big business is the interest served by this Government and by the Bush administration. It is incredible.

When President Bush took over, gas was $1.06 a gallon. That was back at the end of 2000: $1.06. Now it is over $3 a gallon. Two years ago, President Bush threatened that if JOHN KERRY was elected President of the United States, he would tax gasoline. Look at this: From $2.24 up to $3, this year alone. There is no limit. But that doesn't bother the conscience of the board members of ExxonMobil, and it doesn't bother the conscience of Mr. Raymond. If he asks for country club dues to be paid on top of everything else, to have an airplane for his private use, he feels entitled to it. These are company expenses, and because they are company expenses, they are tax deductible. It is shameful, I think, and I hope we will do something about it.

I rise to speak against this so-called energy bill. The bill is simply another gift to the oil industry. It is dressed up as some kind of benefit to consumers. I know the media likes to talk about who is winning the debate on this issue or that issue. But you don't see these commentators saying: Let's look back at the effects of legislation after it is passed. So here we are considering a second Republican energy bill. We should ask: What was the effect of the first Republican energy bill? My colleagues across the aisle said of the first energy bill that it would lower gas prices as it goes into effect. Well, here is what we have seen happen in just this year alone: up by 36 percent.

A few months after President Bush signed the first Republican energy bill, gas prices started to soar. So now we know what happens when you take care of the oil companies: Tax breaks and subsidies, and everyday Americans get charged more, pay through the nose, as we say, and now we are ready for a repeat performance.

Will this bill help get gas prices over $4 a gallon? Think about that, for the average family. Spend 80 bucks to fill up your gas tank. Right now you have to spend over $60 to fill up a 20-gallon tank. We have to do a reality check about who is writing these bills. President Bush and Vice President CHENEY are both former oil company executives. They focus on helping their friends in the oil business. Big oil companies want to open up our coastline to oil drilling, to platforms, pipelines, and tankers.

Everyone jumps to attention in the Cabinet room there and they say: Yes, sir, as they do here on the Republican side of the aisle. And the oil companies' profits continue to explode.

Just this week, BP announced its largest quarterly profit in their history: $7.27 billion. BP is a piker compared to Exxon, which made over $10 billion. This was 30 percent more than the same period a year ago.

I remember hearing in the Commerce Committee when we asked about price gouging and so forth, and the oil company executives denied it: Oh, we don't price gouge, no. Well, somebody is making a heck of a lot of money while people who struggle for a living have to pay more than they can afford just to buy gasoline. Other big oil firms continue to enjoy record profits as well. Royal Dutch announced second quarter profits of $7.3 billion, almost $2 billion more than the same quarter a year ago. While Shell's profits increased 40 percent, its total revenue increased less

than 1 percent. So look what has happened. Their profits increased 40 percent, but their revenues increased less than 1 percent. I would like to hear an economist or an accountant explain how wonderful their management is, how good management must have been to pull that trick. In other words, sales were relatively constant, but profits jumped significantly.

Then there is our favorite, the poster company, ExxonMobil. In 2005 ExxonMobil raked in a record $36 billion in profits. That translates to almost $100 million a day in profit and more than $4 million every hour in profit for one oil company. And while all of these oil companies profit, consumers pay.

Now, as this Congress winds down its work for the year, the majority and the administration have proposed nothing that will lower gas prices at any time in the near future. They have nothing to offer in the way of a serious idea or a plan to reduce consumption, to improve efficiency, or to develop renewable sources of energy.

Whatever the question, the answer for this administration and the majority in this Congress is always the same: Hand over some more money to their friends in the oil industry, and give them more opportunities to drill and explore in environmentally sensitive areas. What do we get in return? Higher and higher gas prices. And now they want permission to drill in areas that are sensitive, areas where an oil spill could be disastrous. We had an oil spill in the Delaware River that separates Pennsylvania from New Jersey, and it didn't look too bad, but the cost to clean it up was $267 million. So there are a lot of risks with drilling in these areas. Higher prices aren't the only negative consequence of this bill.

The bill is going to harm our grandchildren's birthright to enjoy the natural beauty of our coastlines and beaches. I have seen the worst of oil spills. I was sent to Alaska with the Coast Guard 3 days after the *Exxon Valdez* ran aground. Exxon paid approximately $4 billion in compensatory damages and the punitive award was $5 billion, and that was in 1989. So we are looking at 17 years ago, and Exxon has yet to pay a dime on the punitive damages. The company has smart lawyers, and they have kept it bottled up in court. They say: Don't pay the bill, whatever you do. ExxonMobil makes $10.4 billion in a quarter, and the company is still trying to get out of paying the $5 billion that resulted from the court decision.

It is clear the plan is to pass this bill in the Senate, and then combine it with the House bill that opens up the coastal waters of New Jersey, Maine, New Hampshire, Massachusetts, Rhode Island, Connecticut, New York, Delaware, Maryland, Virginia, North Carolina, South Carolina, Georgia, Florida, California, Oregon, and Washington State to oil and gas drilling.

The effects of even one spill off the shore of New Jersey would be devastating. Tourism, a principal business for us, is a $26 billion industry in New Jersey, and it supports 390,000 jobs. My State has already seen how much economic damage can result from threats to our shore. In 1988, a bag of medical waste washed up on the New Jersey shore. The incident was widely reported in the media and we lost a third of our tourism revenues that year—one-third of our tourism revenue.

We can be sure of one thing: If we drill for oil, we will spill oil, and New Jersey and other States cannot afford to have oil washing up on their shores or polluting their water. States that depend on beaches and marine recreation and clean water for fishing and other activities can't afford to have oil spills along those shores. Our commercial and recreational fishing industries in New Jersey are worth hundreds of millions of dollars. An economic catastrophe would result from an oil spill that reaches our shores, whether the drill rigs are located in the waters off New Jersey or Massachusetts or Virginia.

In short, it is absolutely certain that the current bill can only go from bad to worse. This bill is a Trojan horse and it should be rejected by any Senators who are concerned about protecting their coastlines and their coastal economies. It also should be rejected by Senators who care about developing a long-term, sustainable energy policy, and by any Senator who has a vision for our country which says we owe our children and our grandchildren a clean environment. We owe them relief from what we see now. I have not even discussed fossil fuels and global warming.

In the Netherlands last week, they reported the hottest temperature in June—this past June—ever since temperatures have been recorded: 1704, I believe, was the year. The hottest month ever since that time, since 1704. We see evidence of global warming all over the place. I don't hear anybody on the Republican side standing up here and saying: My gosh, we have to find a way to get these temperatures normalized. We have to find a way to reduce the number of hurricanes. We have to find a way to reduce the ferocity of these hurricanes. We don't want any more Hurricane Katrinas. But here we are, big oil companies are soaking the public with $3 per gallon for gasoline. It is not fair. We can do better than ''more of the same.'' I hope my colleagues will hear from their constituents back home and oppose this bill.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, am I recognized?

The PRESIDING OFFICER. The Senator is recognized for 10 minutes.

(The remarks of Mr. BYRD are printed in today's RECORD under ''Morning Business.'')

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. Mr. President, we are debating the Energy bill, the bill that would allow drilling in deep sea waters off the coast of the United States in the Gulf of Mexico. We have heard a lot of conversation about that. I don't want to repeat all of the arguments that have been made, but I want to put it in a perspective that I think might be useful to some who would be watching.

Of course, we have this debate against the backdrop of $3-a-gallon gas. Everyone gets excited about that, and they say it is caused by $75-a-barrel oil, and what can we do to bring down the price of oil? The law of supply and demand determines what the price might be.

There are those who think that is determined ultimately by oil costs, but that is not true. It is determined by the world market, and the United States is only one country that is drawing on the world market and asking for this oil to fuel our economy.

We must start with the understanding that the world runs on oil right now in a variety of ways and in a variety of places, which means that everyone in the world—whether they are in China or India, in Europe or the United States—needs oil.

Why oil? Why don't we have other kinds of energy? The answer is that historically oil has been the cheapest source of the energy we need. People said: Well, let's have wind, let's have solar. Wind and solar up until now have been unable to survive unless there is a serious government subsidy for it. As soon as the subsidy is withdrawn, all of a sudden we can't afford to generate energy from these other sources because it is cheaper to generate it from oil. So we have the infrastructure for oil built up, we have the infrastructure for gasoline for our transportation system built up, and it would take an enormous investment and a great deal of time to try to change it. So people need oil.

All right. There is plenty of oil in the world, and it is relatively cheap to produce in some parts of the world. But what is known as the lifting cost—that is, what it costs to lift a barrel of oil out of the ground and put it into that tanker—for Saudi Arabia is about $1.50. You can produce a barrel of oil at a cost of about $1.50 in Saudi Arabia. The lifting costs elsewhere are much higher than that.

If we come to my home State of Utah, where we have more oil than they have in Saudi Arabia, the lifting cost to get all of that oil is around $30 to $40 a barrel because the oil is locked up in rocks known as oil shale. That is why we don't produce oil from oil shale—not because it isn't there but because it can be produced more cheaply someplace else.

Since it is a world market, people put their oil on the world markets, and the world law of supply and demand determines what will be paid for it. The key number to keep your eye on to determine what the oil is going to cost is

the excess capacity that is available. Let me explain with some numbers.

Right now, the world as a whole is using about 85 million barrels of oil a day. The world capacity to produce oil is about 86 million barrels a day. These figures are not exact. They never are. They change from day to day. But let us use them as representative figures to illustrate the point.

All right. If you are in a position where you have to be sure you can get your oil for your future needs and you look at the world situation and say: You know, there is only a million barrels a day of excess capacity out there, and that million barrels a day could disappear with the snap of a finger—a problem in Iran, a decision by the oil minister in Saudi Arabia, another outburst—explosion, if you will—by the new President of Venezuela. A million barrels a day is not enough excess capacity to guarantee me that my oil will be there when I need it, so I will bid a higher price than I normally would pay just for the certainty that the oil will be there when I need it.

So the oil goes from $50 a barrel to $60 a barrel to $70 a barrel. We have seen it approaching $80 a barrel. Then when word comes out: Well, that excess capacity is a little more than a million barrels a day. Well, I may not want to bid quite so much for the oil. And the price will settle down a little. When there are indications that the supply of oil will be more secure in the future, the price starts to come down.

This is what we see in what is called the futures markets because people are buying oil for the future. They are making long-term contracts.

All right. The key ingredient in bringing the price of oil down is to make sure the surplus capacity above the amount of oil we use gets bigger and bigger. Right now, as I say, it is only about a million barrels per day. If it were 2 million barrels a day, if there were an additional source of oil, then the price would come down because you would have a bigger cushion to be sure you can get your oil in the future.

Look, there is overcapacity of 2 million a day. Back in the days when oil was available for $30 a barrel or $25 a barrel, the excess capacity was 5, 6 and 7 million barrels a day. People were comfortable making long-term contracts because they knew that excess capacity would make the oil available to them.

Just as a side note, in this body, we approved, along with the House of Representatives, back some 6 years ago authority to drill in Alaska. President Clinton vetoed that bill. It takes about 6 years for that kind of investment to bring oil on line. If the bill President Clinton vetoed had been signed, we would have an additional million barrels a day of oil on line in the world right now. That would virtually double the amount of excess capability that is currently available. But that was not done. We are where we are.

That is why this bill we are debating is so important—not just for the amount of oil that is there but for the amount of increased capacity it will deliver to the world markets when it comes on line. And then what happens? Then, by virtue of that amount of excess capacity above the amount the world is using, the futures price for oil will start to come down. That is the way the law of supply and demand works. Around here we have never been able to figure out a way to repeal the law of supply and demand. That particular law trumps virtually everything else we do.

That is one of the reasons I am supporting this bill, to say the time has come for the United States to have that impact on the world price of oil by virtue of our ability to produce that additional capacity.

But there is something else here as important as oil with respect to what is available to us in what we call area 181, and I am talking about natural gas. The same thing that I have to say about the impact of excess capacity on oil applies to natural gas. Natural gas is something more than just energy. This is why natural gas is doubly important. Yes, we use natural gas to heat our homes. We use natural gas to cook our meals. We use natural gas to generate electricity. Natural gas is the fossil fuel of choice. Everyone wants it. Everyone says it is clean, it is plentiful. Historically, it is cheap. Let's put in natural gas. When everyone wants it, that means the demand for it goes up, that means the supply gets tight.

We discovered a few years ago something about natural gas that is very obvious but that some people had not realized. Natural gas is the one form of energy we cannot import. Natural gas gets imported by pipeline. The only place we can bring in natural gas once we have tapped all of the natural gas available in the continental United States is by pipeline from Canada and Mexico. There is a lot of natural gas elsewhere in the world, but we cannot bring it to the United States because it comes in by pipeline.

Now, it can be liquefied. It can be put on a ship. It can come here as LNG, liquefied natural gas, but we don't have that many ports that can receive LNG. It is a very major financial investment to build the port, to equip the port to handle LNG, to build the tankers that can handle LNG. There are those who are doing that, but in the meantime the amount of natural gas available in the American economy is confined by the rising demand.

Natural gas, the petrochemicals in natural gas, are a critical element of the chemical industry. When the price of natural gas goes up, the price of all of our chemicals goes up. It is a critical element in the fertilizer industry. We are proud of our capacity to produce enough food to feed all of America and still make it a major export, but we cannot do it if the cost of fertilizer drives farmers off the land. And the cost of fertilizer is tied to the cost of natural gas.

When you realize that in area 181 there is not only enough oil to change the balance of the overcapacity that can bring down the futures market in oil, there is also enough natural gas to have a significant impact on the price of natural gas and help us with lower costs in the chemical industry, lower costs in agriculture, lower costs with fertilizer across the board, you realize that opening this area for exploration and drilling is something that should have been done a long time ago.

We know one of the main reasons why it was not. It has to do with State interests and State concerns about what will go on. This bill very cleverly and carefully crafts a series of royalty incentives to get the States on board.

With Senator MCCONNELL, I went down to Mississippi and then to New Orleans to see firsthand the devastation. In the presentation that Senator MCCONNELL and I received was an exposition of the damage out in the Gulf of Mexico to those lands that have acted as some kind of a barrier for future hurricanes. That area desperately needs to be rebuilt. It needs to be rebuilt for economic reasons, it needs to be rebuilt for environmental reasons. It is in serious trouble. The State can't afford to rebuild.

But with the revenues that are in this bill for the State of Louisiana, there is a possibility that they can start to rebuild and produce enormous benefits for all of their people and for all of the country. This becomes a source of revenue that can be dedicated to that particular ecological activity that is good environmentally and good economically.

So you put it all together, you have a bill that I think should pass unanimously. I know it won't. We never do anything unanimously around here unless it is completely noncontroversial, and something of this kind always has a little controversy connected to it. It probably comes as close to being the right bill at the right time in the right place as anything we have seen.

A year ago we passed a comprehensive energy bill that has us started down the road toward increased nuclear activity with respect to creating electric power. This bill, coming a year later, is a logical companion piece to the bill we passed a year ago because it starts us down the road toward alleviating the upward pressure, the constant upward pressure on the price of oil and the price of natural gas and doing it in a way that those States that have previously resisted this kind of economic activity now say we understand and we will participate in a beneficial way. That is why this bill is bipartisan. That is why it is supported by the Senators from the States most heavily hit by Katrina and the other hurricanes that occurred.

One of the things Katrina taught us that should give us further comfort as we debate this bill is that our technology for deepwater drilling is sufficiently stable that it can withstand a

hurricane of Katrina's force and not produce any kind of an oil spill, not produce any kind of an ecological difficulty.

It is interesting to recognize the greatest ecological damages from oil spills have come from tankers bringing oil across the ocean, rather than from oil platforms drilled in the ocean. If we want to reduce our dependence upon the oil being shipped in the most dangerous way in terms of the environment, we should pass this bill and proceed with this activity.

It comes as no surprise that I express my strong support for this bill for economic reasons, for environmental reasons, and for long-term planning reasons. It is, as I say, the right bill at the right time and in the right place.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, I ask unanimous consent to speak as in morning business for up to 20 minutes.

The PRESIDING OFFICER (Mr. CORNYN). Without objection, it is so ordered.

(The remarks of Mr. WYDEN are printed in today's RECORD under ''Morning Business.'')

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, I have enjoyed hearing my distinguished friend from Oregon, who is always an effective and enthusiastic advocate. We worked together on many things, and I hope we will on many more things in the future.

I want to talk a little bit about the price of natural gas and how we can get it down. We have an opportunity to do that next week in the Senate. The Senate is considering the Gulf of Mexico Energy Security Act of 2006. It directs new oil and gas leasing in 8.3 million acres of the Gulf of Mexico. It directs the Department of the Interior to begin oil and gas leasing in designated parts of what we call lease sale 181—that is just the name of a geographic area—no later than 1 year after the bill becomes law, and directs leasing in 181 south, an area below the one just described, as soon as practical.

From the revenues that come from that, we will deal with those in the traditional way. First, there is a royalty, and 37.5 percent of the royalty will go to the affected States, which I assume includes Louisiana and Mississippi and Alabama, and perhaps the Presiding Officer's State of Texas. Then 12.5 percent will go to the State side of the Land and Water Conservation Fund under an arrangement that has been in the law for 40 years, to take some of the money we use from offshore drilling and use it for State parks, soccer fields, city parks. The money goes to the States.

We do a lot of things here in the Senate, and some may sound more relevant than others. But this is legislation next week that will affect blue-collar workers in America, it will affect homeowners, and it will affect farmers. It could affect the price of gasoline. The price of gasoline is set by the world marketplace, as the natural gas price is as well. But the major effect, I think, will be on the price of natural gas. Let me explain for a few minutes why I am talking about natural gas instead of gasoline.

If you stop and think about natural gas, one could easily argue that an extraordinarily high price for natural gas has more of an effect upon the lives of Americans than an extraordinarily high price of gasoline. A year ago, when the price of natural gas was about $15 a unit—to put that into comparison, that would be about the same thing as if gasoline were at $7 a gallon. That would be about the same thing. Now, imagine that. What if gasoline were $7 a gallon across the United States? We would have revolutions from Odessa, TX, to Mountain City, TN, and North and South, and in every direction. People would say: We can't stand that.

Well, we were having a very hard time a year ago with the natural gas prices at $15 a unit. Now, fortunately, they are back down to a little below $7 a unit. But this economy of ours, this United States of America, was built on a natural gas price of about $2. So it is three times as high as we were accustomed to it being.

And what difference does that make? Well, if we pass this legislation next week, we can reduce—or at least begin to stabilize—the price of natural gas, and that helps American workers. A lot of speeches are made here—and the Presiding Officer has heard as many as I have—saying no more outsourcing. Let's not send jobs overseas. Don't let them go to Germany, India, and China. Why don't we adopt policies that stop that?

Here is a good way to stop jobs from going overseas. There are 1 million jobs in the chemical industry in the United States today. These are good, high-paying jobs. Most of them are blue collar, but many are white collar. These are manufacturing jobs in the United States of America, millions of them. A place like Eastman Chemical in Kingsport, TN, is an example. Eastman Chemical, as far as we are concerned in Tennessee, has been there about as long as the Great Smoky Mountains. My uncle used to work there. In the Appalachian part of Tennessee, where income has never been high, for a long time Eastman has paid a good, high, steady wage to families. It has transformed the area. There are good schools, good roads, strong families, and good communities, with 10,000, 12,000, or 15,000 jobs right there in that area. People drive 50 to 80 miles to go to work. Some have been working there three and four generations. Eastman makes chemicals. Out of what? The major raw material for chemicals at Eastman is natural gas.

The president of Dow Chemical testified before the Energy Committee that natural gas, used as a raw material, accounts for 40 percent of Dow's costs. So if the price of natural gas goes from $2 to nearly $7, as it is today, or to $15, as it was last year, what do you suppose happens? If Eastman is going to expand, or if Dow or another company is going to build another plant, are they going to build it in the United States? No, those jobs will go overseas, and they have been. There are maybe 100 chemical plants being built around the world. Only one is being built in the United States, and the major reason is the high cost of the raw material, natural gas.

So there is the first reason the vote we are having on Monday afternoon at 5:30 makes a difference to the average American and to all Americans. Well, none of us are average. We are all individuals. We like our jobs. There are a lot of jobs at stake, and it is not just the chemical industry that is affected by the high cost of natural gas.

A year ago, the Tennessee Farm Bureau joined me in sponsoring a roundtable on natural gas prices when they were at $15. One of those who was at the roundtable was the president of Saturn. The General Motors Saturn plant came to Tennessee when I was Governor. It is an innovative plant, and we are proud that they chose Tennessee. At the roundtable, the president of Saturn said to me: We have done about all we can, in terms of efficiency, to deal with this incredible cost of natural gas in our automobile plant. After this, it is going to begin to affect the cost of our cars.

If the cost of auto parts suppliers and the cost of automobiles that are manufactured in the United States goes up, the jobs go overseas. If you can put an engine plant in Germany, or some other kind of supplier in Mexico, they will do that because of the high cost of natural gas. So it affects manufacturing.

The Tennessee Farm Bureau was helping me host that roundtable because the high cost of natural gas affects farming. Farming uses a lot of energy and uses a lot of fertilizer. The biggest raw material in fertilizer is usually natural gas. So the price of fertilizer doubles when the price of natural gas goes up like that.

The rising price of natural gas affects millions of Americans—workers, farmers, and also those who are heating and cooling homes with natural gas. What do you suppose the local gas company does after a while when the price of natural gas goes from $2 to $15? What do you think that will do to your local bill? It is going to go right through the roof. For retired families, for low-income families, the high price of natural gas hurts. So the vote we are having on Monday is about blue collar workers, about farm families, and it is about all the families who heat and cool with natural gas. That is the importance of natural gas prices.

Now, I see my friend from Arkansas here. I assure him that I am not going

to be too extensive in my remarks. I look forward to his. I have a few more things I would like to say.

The second point I want to make is that the bill we are dealing with Monday is part of a comprehensive plan. I have heard a few colleagues come here and say we cannot drill our way out of this big problem we have with oil. They are absolutely right about that. Everybody in this Senate knows that because we spent 10 years working on a comprehensive energy bill—the Energy Policy Act—which we enacted about a year ago after weeks and weeks of debate. It could have been called the ''Natural Gas Price Reduction Act.'' I am not going to stand here and say that bill is the reason the natural gas price has gone from $15 last summer to $7 today, but I hope it helped.

Market forces overrode all of that. But the Energy Policy Act surely put us on the right path, because to reduce the price of natural gas and to begin to stabilize the price of oil and make sure this big country of ours, which uses 25 percent of all of the energy in the world, has a steady supply of reliable, low-cost energy that is clean and as carbon-free as possible, we set this country on a different path by passing that comprehensive energy legislation a year ago, and we started with conservation.

We need to be more aggressive about conservation, and there may be a conservation bill that we ought to enact later this year or next year. We also aggressively moved to encourage nuclear power because nuclear power produces 20 percent of all of the electricity in America and 70 percent of the carbon-free electricity in America. That means it is our major weapon against global warming. If my friend and fellow Tennessean, Al Gore, were to do a sequel to ''Inconvenient Truth'' and call it ''Inconvenient Truth II,'' it would be about nuclear power. That is the solution to global warming.

So, first, we encouraged conservation. Then we began what is turning out to be a renaissance of interest in nuclear power.

Third, the Energy Policy Act included incentives for clean coal. We have a lot of coal. So if we make more electricity by nuclear power and more electricity by coal and we conserve to begin with, then there is less demand for electricity made from natural gas and the price goes down. Almost all of our new electric powerplants over the last 10 years were made by natural gas. That is like burning antiques in the fireplace to heat your home. That is a pretty dumb way to go about the business of producing electricity.

Let's conserve, build nuclear powerplants, encourage the use of clean coal, recapture the carbon, deal with global warming, reduce the price of natural gas, and that is not all. We also made it easier in the bill last year to import liquefied natural gas from overseas. That is a complicated process. We don't want to get into the same shape in natural gas that we are with oil, where we get most of it from overseas, but we can increase imports of LNG. Bringing it into terminals here and piping it into our system helps increase our supply, and that lowers the price and, apparently, that has begun to work.

Renewables help. There are some things we can do in that area. We can make ethanol from corn. We can make biodiesel from soybeans. I held a roundtable in Tennessee on biodiesel the other day. I even heard in a hearing that a factory is opening in Oak Ridge that will make ethanol from coal. We can make fuels from other sources, but we need a lot of fuel for cars and trucks, and we need a lot of fuel for electricity in this country that uses 25 percent of all of the energy in the world.

One thing we did not do last year was take any significant step to increase the supply of natural gas that comes from the United States. I think any logical person would say if you are going to take a comprehensive look at the high price of gasoline and the high price of natural gas and its affect upon Americans, you would want to include increasing the supply while we are transitioning to other forms of energy production. This is going to take us 5 or 10 years. In the meantime, we don't want to pay $7 for gasoline and $15 for natural gas. One way to do it is to increase our supply.

That is why we are voting on Monday on deep sea exploratory drilling in one of the most promising areas in the world for more natural gas. That is what we call Lease Sale 181. Someone said on the Senate floor there wasn't much gas down there. I heard the Senator from Louisiana say the following, and I believe this is true: It is enough to heat 6 million homes for 15 years.

It is six times the amount of the liquefied natural gas that we are importing today in the United States. That is a lot of gas. It is more oil than we import from Saudi Arabia, our principal supplier of overseas oil. It is more oil reserves than Wyoming and Oklahoma combined.

So in our great big economy, where we use 25 percent of all the energy in the world, it may only be a small part of our overall needs, but it is a lot when you think about heating 6 million homes for 15 years. And I suspect that if we move ahead aggressively to tap this new supply of natural gas and oil, it will help to stabilize the price of natural gas and might even move it down a little and help the blue collar worker, the farmer, and the homeowner.

Some say that energy independence is not a real goal. I don't agree with that. What I mean by energy independence is that the United States will not ever again be held hostage by some other country. It doesn't mean we won't buy oil from Mexico or natural gas from Canada. But we don't want to have to do that if we don't want to. So that is why, in the comprehensive Energy bill last year, we accelerated research for hydrogen fuel cell vehicles and gave incentives for hybrid cars. We want to reduce our dependence of oil overseas and transform our economy permanently. We don't want to drill our way out of the problem. We all know we can never do that.

Over the next 5 or 10 years, we'd better make sure we use the oil and natural gas we have available in this country if we want people to be able to drive their cars, work their farms, keep their jobs, and pay their bills. That is what we will be voting about Monday at 5:30.

We have been extremely careful with the environmental impact of this bill. I am very proud of Senator DOMENICI and others for what they have done on this issue. These rigs will be 125 miles away from Florida. You can only see about 20 miles out to sea. So that is a long way out. They are out of the way of airplanes and military craft. The technology we have means there is more natural leakage of oil from the sea floor than from all these rigs out there. So the environmental damage is minimal. Plus, we are going to take half the revenues from this drilling and use it for environmental purposes. I think that is great. Mr. President, 37½ percent goes for wetlands and other areas in the Gulf Coast heavily damaged by hurricanes, and 12½ percent is an outdoor recreation and conservation royalty. It is not a lot of money, but it begins to say that we are going to have an environmental benefit. It is a balanced formula that a majority of Senators can easily support.

Mr. President, this is a focused bill. This is a little left over work that we didn't get done last year when we passed a comprehensive piece of energy legislation that put that ''freight train'' energy policy moving slowly down the track in the right direction, toward large amounts of clean, low-cost, reliable, domestic-produced energy.

We had in that bill conservation, nuclear power, clean coal, and we made it easier to import natural gas. We had extensive support for renewables, but we didn't do anything about domestic supply. This finishes the job. So that is why this is a focused bill.

There are many other great ideas about energy, and whenever we subject ourselves to an energy debate, it will take us a long time because we have many good ideas and opinions. But from time to time, we need to take a focused idea about which there is emerging consensus and do it.

Two years ago, you could not even mention the idea of offshore drilling here. Last year, we had a majority of votes in the Senate for it, but we could not get to 60. This year, we got 86 votes on the motion to proceed, and we have a broad bipartisan consensus. I suspect in future years we will find other ways to permit, say, Virginia, for example, if it chooses, to permit drilling for oil and gas in certain areas offshore where

the rigs cannot be seen, and use some of those revenues from drilling to create a trust fund for education, use them to lower taxes, or use them to improve the coastlines of Virginia. I know if I were Governor of a coastal State, I would do that in a minute. I would rather not have an income tax, and I would rather have the best and biggest trust fund for my university system. That is exactly what Virginia could do, but we are not doing that here. We will address that when there is a consensus about it. There is a consensus about this.

As we move toward the end of the week and as people begin to think about what the Senate is doing that affects their lives, if you are a manufacturing worker in this country, we are going to affect your life at 5:30 on Monday afternoon. If you are homeowner paying your bill for 105-degree heat with natural gas, we are going to affect our life at 5:30 on Monday afternoon. If you are a farmer and have seen the price of fertilizer double, we are going to affect your life at 5:30 on Monday afternoon. We are going to vote for you if we vote for the energy security bill on Monday.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. Mr. President, I rise today in support of S. 3711. I found the comments of our colleague from Tennessee, the distinguished junior Senator from Tennessee, very interesting. Basically, he and I are on the same page on this issue; that is, I hope S. 3711 is part of a larger, smarter energy policy for this Nation.

There are really two sides of this equation, and then there are some complications in between. Basically, the two sides are supply and demand.

We have not done a lot on the supply side in the last few years, so I think it is important for us to look at drilling as an option. Certainly lease area 181 makes a lot of sense. We have infrastructure there. Generally speaking, we know how much oil and natural gas is in lease area 181. It is not a big stretch for people in those industries to get out there and find that oil and gas and get it to the marketplace. So traditional drilling in that sense makes a lot of sense, in my mind.

Also, I hope the Senate will continue to work on legislation to encourage alternative fuels, such as biofuels—I know the President in his State of the Union Address mentioned cellulosic fuel, and that is important—ethanol, agriculture products, animal waste, et cetera. That is just smart energy policy, and it creates a supply of energy. And that is very important.

On the other hand, we need to look at demand and we need to look at conservation. Certainly, this country can do much more with regard to conservation, with some industries and some aspect of our economy, and also efficiency. We need to become more efficient and smarter and use technology to try to get smarter on our energy usage.

I certainly concur with what the Senator from Tennessee talked about, supply and demand. We know under the current conditions gas prices will not go down by themselves. We are going to have to do some things in this country to help the oil markets get where the American public want them to be.

Also, S. 3711 on offshore drilling makes a lot of sense because it is narrowly focused and narrowly tailored. It is the right policy at the right time. Maybe one of the more controversial parts of this bill is revenue sharing. I am from an interior State. Under the circumstances as presented today, I don't have any objection to revenue sharing. I know Arkansas will not benefit as much as the States on the coast, but that is OK. We know the devastation the hurricanes caused in that region of the country, and we understand that one of our 50 States—Louisiana, in particular—has been dramatically impacted and maybe forever altered by Hurricane Katrina. Certainly Alabama and Mississippi have had their share of hardship.

When we look at New Orleans and look at that coastal area of Louisiana, we understand they are in dire straits. We understand this is a unique time in history, and we need to get the resources to the gulf coast to help right now rebuild the gulf coast but also help with future storms.

The other point I like about S. 3711 is that it recognizes that the cost of energy ripples throughout all of our economy. A few moments ago, we heard someone mention that with regard to farmers and fertilizer, about 90 percent of the cost of fertilizer is the cost of natural gas. If we look at the plastic that is in this pen, some of that cost is in the petroleum and natural gas that is required to make this product. All that eventually, ultimately, gets passed on through the economy. So when we see very high natural gas prices and very high oil prices, we know it is inflationary and we know the damage those high prices can do to our Nation's economy.

Arkansans—and I think all Americans—feel squeezed right now. If a family used heat in the wintertime, if they cooked with natural gas, they paid an average of $920 in natural gas last year. That is a lot of money. That is an increase of $178 just over the winter months I am talking about. That is a lot of money. Those are real dollars to people in my State and I know people around the country.

The price of natural gas, which supplies a quarter of the energy used by Americans, has more than doubled in the past year, and demand is going to continue to rise. Demand will rise about 40 percent over the next 20 years. This is significant. This dynamic is something which we as policymakers need to be aware of and we need to work with that reality.

About a quarter of all natural gas is used to produce electricity. The rest is to manufacture plastics, cars, computers, medical equipment, and all sorts of products, even bottled water. Those bottles are made with natural gas.

This week, the price of natural gas was $6.15 per million Btu. We think about that and we may not have anything to compare it to, but let me tell you, Mr. President, in countries that we compete with for jobs, that we compete with for manufacturing, places such as Russia, natural gas is $1.25 per million Btu's. It is $6.15 here to $1.25 there. Look at the comparisons around the world. For whatever reason, we are paying more for natural gas, and it is putting the U.S. economy at a disadvantage.

We see transportation costs have doubled. We know how important trucking and other transportation is in this country. That is overall in the economy. But when we look at transportation costs for a family, the average household with children will spend about $3,815 on fuel this year. That is a lot of money. There again, that is going to increase by about 100 percent as compared to 5 or 6 years ago. The people in my State and the people around the country certainly are feeling the squeeze. If you book an airline ticket today, it is probably going to be 11 percent higher, and a big piece of that is the cost of jet fuel.

One of the last couple of points I wish to mention about this legislation is that it is a compromise. It is a compromise in maybe the best sense of the word. We have a lot of competing interests, a lot of good ideas that have come into this discussion. Many of those ideas were included either in whole or in part in this legislation.

This bill will open 8.3 million acres in the Gulf of Mexico, and it lifts production bans in lease area 181. Again, I think that is the right policy at the right time. At the same time, it bans drilling within 125 miles, and that is good until 2022. Again, I think that makes sense. Congress is trying to be very sensitive to various States' needs, trying to respect those needs and those desires. We are attempting to do that, and I think we are accomplishing that in this bill.

Back to natural gas, lease area 181 in this bill will add about 5.83 trillion cubic feet, and that is a lot of natural gas. Right now, we use about 23 trillion cubic feet a year. So this is a significant help over time. It will take a couple, 3 years before that actually hits the market, but it will help. Also, it will produce about 1.26 billion barrels of oil.

The last point I would make is that this is a narrowly tailored bill. But there is one person who I think has shown complete tenacity in trying to get us to where we are today, where we will be Monday, and that is Senator LANDRIEU of Louisiana. She has been amazing. Of course, her State has been forever altered by Hurricane Katrina. Certainly, we join her in saying we

want Louisiana to come back stronger than ever. New Orleans is one of the great American cities, it is one of the cultural centers of this country, and we want it to come back stronger than ever.

Sometimes we forget how important that New Orleans area is to the entire country. It is one of the largest ports in the United States, and the fact that it is sitting right at the mouth of the Mississippi is critically important to the entire midsection of the country. If you live west of the Appalachians or east of the Rockies, you are impacted by what happens in New Orleans because that whole system, that entire Mississippi River basin or watershed, all the rainwater, all the floods—everything—eventually goes down the Mississippi. If the Mississippi is not functioning correctly down near New Orleans, it has a very adverse impact on flood control, on agriculture, on industry, on hydroelectric power, and on any number of things up and down this entire watershed, which is the largest watershed in North America.

I thank Senator LANDRIEU for her tenacity, for the example she set for all of us in fighting for her State and fighting for her country in a time when we need her leadership. She has shown that time and time again. I bet every Member of this body at some point or another has spoken with Senator MARY LANDRIEU about how important it is to rebuild the gulf coast area and Louisiana specifically. She has done a fantastic job. Even if I disagreed with this policy, which I don't, out of respect for her and the great work she has done, I would support her legislation because I know how important it is to her.

The bottom line is, Louisiana is one of the 50 States. It is a sister State. We came to the aid of New York after 9/11, and we should have. We have come to the aid of many States in specific regions after disasters and catastrophe, and we should. That is part of being one Nation, one people, E pluribus unum. It is time for us to come to the aid of Louisiana. It is a long-term proposition. Louisiana does not have an easy solution where we throw a few dollars at it and it is done. There are major infrastructure investments we have to make there. We also have to make them along the rest of the coastline in Mississippi and Alabama.

So I think this is an important first step. As I said, I hope that S. 3711 is part of a larger and smarter U.S. energy policy. I hope next year we will come back and revisit some of these very good ideas the Senators have talked about this week and in the previous months when we have been looking at this lease area 181 bill, because there are a lot of good ideas out there. I know Senator WARNER and I have one that would open the entire OCS, and it is something we would love to have included here, but we understand we may have to wait until another time. But there are a lot of good ideas out there, and I think it is time for us to think long term and think about energy policy that makes sense for everybody.

Mr. ROBERTS. Mr. President, I rise today in support of S. 3711, the Gulf of Mexico Energy Security Act.

S. 3711 takes a much needed and long overdue step forward in our Nation's energy policy. For too long we have looked to others to supply our growing demand for energy. Too many of our energy resources are imported from unfriendly and unstable places in the world like Nigeria and Venezuela. We can no longer afford to rely upon the Hugo Chavezes of the world to fill up our gas tanks, heat our homes, or provide fertilizer to grow our crops.

Today we have the opportunity to look in our own back yard for the resources necessary to sustain our economy's growth.

S. 3711 opens roughly 8.3 million acres to oil and gas exploration. An area with roughly 5.8 trillion cubic feet of natural gas and 1.26 billion barrels of oil. One sector of our economy in desperate need of increased oil and gas production in the Gulf of Mexico is agriculture.

Mr. President, farm country is struggling to find our next generation of farmers. Agriculture's future depends on motivating young people to enter into a business with increasing input costs and stagnant product prices. Without a revitalized wave of young producers, our Nation's food suppliers will continue to face an uphill battle. Alleviating high natural gas prices is one way to help current producers and entice young farmers to return to the fields.

Agriculture depends on significant amounts of natural gas for irrigation, food processing, crop drying, heating homes and farm buildings, and producing fertilizers which are necessary for plant growth.

For agriculture, natural gas is not just an energy source, but it is also a feedstock in the production of nitrogen fertilizer. Natural gas accounts for roughly 90 percent of the cost to produce one ton of nitrogen fertilizer.

In 2005, natural gas prices rose to $15.00 per million BTU's. In the past 6 years, the U.S. has gone from spending $50 billion per year on natural gas to $200 billion per year. These high prices have hit the nitrogen fertilizer industry hard. Since 1999, 17 ammonia plants permanently closed due to the high cost of natural gas. The result is a fertilizer industry that recently received 85 percent of its feedstock from domestic sources to one that now relies on foreign imports to supply 50 percent of their natural gas needs.

Much attention in Congress has turned to alternative sources of energy to meet our demand. Ethanol used to be a word spoken only in farm country. Now ethanol is part of the daily jargon on the streets of New York and Los Angeles.

What some folks may not understand about ethanol produced primarily from corn is that farmers in many parts of the country use nitrogen fertilizer and irrigation systems to grow corn—two inputs heavily influenced by the price of natural gas.

You see, Mr. President, if we do not increase the amount of domestically produced natural gas, our renewable fuels industry will grow more and more dependant on imports from volatile parts of the world.

Now is the time to change our attitude about our energy supply. Domestic, environmentally safe production can and should take place on American soil and off our shores. S. 3711 moves our Nation's energy policy in the right direction. One that leads to greater energy independence and price stability. I encourage my colleagues to support our agricultural industry and vote for S. 3711.

Mr. President, I yield the floor, and I note the absence of a quorum.

The PRESIDING OFFICER (Mr. CHAFEE). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SESSIONS. Mr. President, I would like to speak on the energy production bill that is on the floor. Is that appropriate at this time?

The PRESIDING OFFICER. The Senator is recognized.

Mr. SESSIONS. Mr. President, I am a resident of Mobile, AL, on the gulf coast. We drive down to the beaches periodically. What I would like to convey to my colleagues is that Alabama, Mississippi, and Louisiana have always allowed production of oil and gas offshore. We even allow production very close inshore. The beautiful Mobile Bay, a fragile estuary, has a number of very large oil rigs in those estuaries that have produced very large amounts of oil and gas. We have never had a problem of any serious nature of an environmental negative impact.

As we begin to discuss this subject, we need to ask ourselves, what is the opposition to drilling in an expanded area of the deep Gulf of Mexico, 125 miles or so south of Alabama and Florida, and 200 miles west of Florida's western beaches of Tampa? What is the opposition to it? I ask that question.

Is it a sincere environmental objection or is it just a persistent opposition to the utilization of oil and gas that many people have in America today? Is it some sort of hostility to oil companies? Is that what is making people have a hesitation?

I would like to discuss those areas a little bit.

Let's talk about the environment. We have at this time 4,000 producing wells in the Gulf of Mexico—4,000. We have had one of the most devastating hurricanes ever to hit in Katrina last year. We had several other hurricanes that had very high winds—not quite as big, but their winds at times were nearly as

strong as Hurricane Katrina's—that came through the gulf.

Official reports have indicated that 3,000 of those 4,000 wells that are existing now in the Gulf of Mexico were in the direct path of one of those hurricanes last year, and we had not a single spill of any sizable amount. Several of the platforms, large as they are, were damaged. But they have, in ways that I am not able to fully explain, shut-in valves down under the water, at the ground, and it shuts off the oil from the well, and no matter what happens to the rig there is no spill of oil.

In fact, only about 2 percent of the oil in our waters around the U.S. come from oil production, or maybe less. But 63 percent comes from natural seepage. Most of it comes from runoff from storm sewers and things on the land. All that is really very small. It is not a huge impact in any way.

I would just say to my colleagues, when you go fishing in the Gulf of Mexico, as I like to do when I can, which isn't often, you tend to fish around these rigs. Just over Memorial Day weekend I was out with my brother-in-law and nephew. We went fishing around the oil rigs and had a little luck. That is where people fish. It provides a structure that allows growth of foods, sources that feed smaller fish, and larger fish feed around them, and that is where people fish. Nobody worries about that or expects any kind of problem with it. They have been there for decades now.

So the environmental question is not a real one, in my view. It has, to a degree, been settled more than we can imagine.

But I would say this: The same people who may be worried about drilling in the gulf don't seem to be very worried about drilling in the lake at Venezuela, or the Persian Gulf, or the Caspian Sea. These are smaller bodies of water, self-contained, in which a spill would be even more dangerous. That is where we are getting much of our oil and gas today, from those areas of the globe. Many of those areas that we produce oil and gas are far more subject to being damaged, perhaps, than if we had a spill in the vast Gulf of Mexico.

Then there is this argument: We don't like the oil companies. You are trying to help the big oil companies.

I want to dispute that and dispute that unequivocally. My goal is to serve my constituents. How do I serve my constituents? I help them receive the necessary, critical oil and gas that they need to carry on with their lives at as low a price as possible.

I don't think it healthy or justifiable to say to my constituents in Alabama: We are not going to let you produce oil and gas off the coast of Alabama, Mississippi, Texas, Florida.

We are not going to let you get any gas and oil from there. We are going to require you to buy it from Hugo Chavez in Venezuela. We are going to require you to buy it on the markets of the world where it may have come from Iran, and certainly Saudi Arabia, or Iraq, or other countries. Some of those haven't been friendly to us. They charge whatever they can charge. A couple of years ago, it was $35 a barrel and now it is $70-plus a barrel.

What kind of sense is that? If some big oil company has a long-term contract with one of those foreign countries to buy oil at $35 a barrel that was signed 2 years ago, why would they want production in the gulf? In fact, they may not.

I don't see the oil companies demanding increased drilling in the gulf. This is coming from people who can add dollars and cents, people such as this Senator who travels the State, talks to our constituents, listens to what their concerns are, goes to church, and goes out on the street shopping, and people come up to you and they talk about the high cost of gasoline. That is what they are talking to me about. I look them in the eye, and I say I am going to do what I can to make these prices lower.

We tried putting in a law that sets prices, and that was a total failure. You can't fix prices by statute. It is a marketplace out there. And what do you do to make the marketplace work on your side? You increase production. Frankly, it doesn't require a huge increase in production to make a big price adjustment.

If the world demand is here but the supply is a little more than demand, surpluses build up, and all of a sudden the prices start falling. People have oil in their tanks. They cannot sell. So they cut their price to sell more. Somebody else has to cut the price, and it drops down. If you have a world supply here and demand is a little above the supply, and the world is out here and can't meet it, people have shortages, and they have to bid the price up to get more. Then you have a problem. Even small amounts can make a big difference in prices. That is all I am trying to say to my colleagues.

I emphasize again that the reason to produce within the Gulf of Mexico, as I believe ANWR and several other areas of this country, is because that money stays at home. It doesn't go to Hugo Chavez or others. It helps generate our economy. It creates jobs in our economy. People who make money pay taxes to our Government, not to some foreign government. The pipes and that kind of thing work. And the transportation costs are less because it is much closer.

These are factors which are relevant to any policymaker in our Nation.

We have artificially denied our Nation the right to produce this oil and gas that is right off our shore for far too long. It is time for that to end and to go forward with this production which will help our economy, help create jobs, help contain and actually reduce whatever the price of oil and gas may be in the future. It will be less cost to produce in the gulf than it would be otherwise. I have no doubt.

I see the distinguished majority leader. I will be pleased to yield to him, and at this point I thank him for his understanding of this critical issue. He has been steadfast and clear about it ever since I have been in the Senate, 10 years. And now we are at a point where we might get something done this time.

I thank him for his leadership, and I am pleased that both Senators from Florida are supporting the bill, so we have some cause for optimism.

I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. FRIST. Mr. President, while my distinguished colleague from Alabama is on the floor, I thank him for his leadership on this particular issue because it gives us that opportunity to act with meaningful solutions to problems everyone is feeling. So many things that we do here are issues that seem so macro, so big. I am sure when people are watching C–SPAN or television or they even read about what we do, they wonder, are those people up in Washington doing anything to address the issues that affect me, the squeeze that I feel, the cost of living that we know has to be addressed?

Then you say, What are those things? Where is that squeeze coming from, despite the record low unemployment rate of 4.6 or 4.7 percent and the creation of 5 million jobs?

It comes back again and again—those energy costs, filling up that gasoline tank, getting ready to go on vacation, or altering your vacation, or paying that heating bill, or this time of year that air conditioning bill. And it comes back to energy.

Now we are acting and we are acting in a way that in the past has been stopped—and that is by looking right here at home at the good old American homegrown supply.

Everybody knows that ultimately in the market-based system there is supply and demand. Now we are addressing supply directly, as my colleague mentioned, in a way that is very protective of our environment, of our coastlines, that is environmentally sensitive but in a way that we know will open as much as a million or more barrels.

I thank my colleague for his leadership and also for his explanation so people fully understand the impact of that legislation which is now on the floor.

There is a lot going on. I want to make a couple of comments because there are some things going on right now. The House of Representatives will probably be out tomorrow. We will be in session tomorrow. We are working on a whole range of issues in conference and in our discussions as we look ahead for the next week that we will be here, and then the 4 weeks in September when we come back. I am very hopeful that the House will pass the pensions conference report and sometime here in the next 24 hours. I know our colleagues from the Senate

who are on the conference are working very hard to get the House Members to move ahead on the issue that we know is very important to the American people. Individual retirement security. Again, it goes back to this cost of living and the squeeze that people feel. That is what this pensions bill is all about.

Other issues that are being addressed are so-called tax extenders because we have to act now every year. We would like to make these tax cuts permanent, but we have to act every year and extend them for 1 year or 2 years.

What is also interesting in terms of message is the great impact that tax cuts put forward by this body under the leadership of President Bush have had—a huge impact on individuals and families.

One of interesting things that I find when you say we are going to make the tax cuts permanent and extend them for 3 or 4 years, people do not understand fully what that means and how it affects them as individuals. But 3½ years from now for a family of four making a median income of $62,000 or $63,000, what percentage of this Federal tax will go up if we don't act to make these tax cuts permanent? Usually, when I ask a crowd of people if the Bush tax cuts are not made permanent, if the Senate doesn't act for whatever reason, or it is obstructed from acting, they say, Maybe my taxes will go up 10 percent or 20 percent, or 30 percent. Not many people say 30 percent. But the fact is, if we don't act in this Senate to make those tax cuts permanent, for a family of four, their Federal taxes will go up, 3½ years from now, 58 percent. And now people say: I see the importance of what you are doing in Washington, DC, why you are following President Bush in terms of his tremendous leadership in cutting taxes, keeping taxes low, and working hard to make those tax cuts permanent. Then it comes together.

We are looking at a tax extender package, and we are also looking at what my colleagues feel strongly about—a permanent solution to the death tax.

First of all, the death tax does not make sense. It is not fair. It discourages savings and discourages thrift. Therefore, we need to have a permanent solution. I say bury it forever, but the will of the Senate is not to bury it forever and eliminate it totally. Therefore, we are working with what is a very reasonable compromise position. So there is a lot of discussion on that underway.

What we have is crazy. We have a death tax. It used to be high and is coming down. In 2010 it disappears, and in 2011 it goes back up to 55 percent. Talk about things that do not make sense, that does not make sense. We need to fix that. I hope we can do that in the next 6 to 8 weeks.

One last thing I comment on because there has been huge progress today in the House of Representatives which allows us to move forward on an issue that will affect just about everyone listening to me now, an issue we have acted on with meaningful solutions to a real problem, is health information technology. The House today passed a health information technology bill. We have passed one in the past. Now we can marry those two in conference. And we will save lives.

Medicines cure, but medicines can also kill. Last week, the National Academy Institute of Medicine, which we all respect, we all look to, which looks at things very objectively—the committees they put together are experienced, have broad expertise, and take current issues that are challenging and address them in an environment that is very constructive. They released the most extensive report ever done on drug or medication, medicine errors, mistakes that are made, whether they are inadvertent or mistakes just made. The report is fascinating.

Why do I say it affects everyone? Right now, four out of five American adults today—so in all likelihood, everyone listening to me—take one medicine, at least one medicine over the counter or a prescription. One out of three adults listening to me now take five medicines. That is amazing. Being a physician, it wasn't true 10 years ago, it wasn't true 20 years ago. When my dad began to practice medicine 70 years ago, no one would believe the power we have in medicines today—the power to cure but, if misused or mishandled, the power to kill.

This report just came out last week, and it is fascinating. The report addresses lots of things. I will come back and cite some of them. I will look at findings. How these medicines are administered, if not done correctly, with real care, can result in serious injury, hurt the patient, can cause death—all related to how they are administered, the dosage they are administered in.

Before coming to the Senate, I spent 18 years in hospitals, always 5 days a week and 95 percent of the time 6 days a week, working in hospitals, taking care of people. There you see it all. You see doctors inadvertently writing prescriptions for drugs that interact and are not compatible with certain drugs. Maybe they didn't know the patient was on that particular drug or they just didn't know there would be an interaction of the two drugs, and it hurts the patients. Nurses or health care providers mistakenly put the wrong medication in the IV bag, the intravenous bag that runs into your hand, or administer the wrong blood type. A pharmacist might dispense a 100-milligram pill instead of a 50-milligram pill. These errors are wasteful, obviously, but can also be harmful and can be deadly.

The Institutes of Medicine found that at least 1.5 million Americans are sickened, injured, or killed each year by errors in either processing, dispensing, or taking medications. These errors are widespread. The IOM report found on average a hospital patient is subjected to one medication error every day they are in the hospital. That is pretty amazing. A hospital patient is subjected to one medication error each day he or she occupies a hospital bed.

That is costly. Not only does it occur, and it occurs frequently, it costs a lot. The IOM report estimates the extra expense of treating drug-related injuries in hospitals alone is $3.5 billion a year.

The report—again, it just came out last week—is the most comprehensive report today. It sends a very clear signal; that is, we need to act.

The good news is that we have acted with a first step in this Senate, and as I mentioned earlier the House acted today, which means together we can produce a bill, and have the President sign it, which will make a difference.

The IOM report offered several recommendations to prevent these errors. In many ways, the recommendations they put forward reinforce my vision or a vision I believe is very important as to where we need to be in health care in the future. We have to start today in that direction. That is what the recommendations do.

That vision is really pretty simple. It is a vision of a health care system that is not centered on HMOs, bureaucrats, Washington, or hospitals or clinics. It is centered on the patient. The patient is in the middle of the system.

In this system also is the importance of having the driving force of the consumer. You have the patient, and it is driven by decisions being made by consumers all over the country.

The third component is that it needs to be provider friendly. You need physicians participating, nurse practitioners participating, nurses and other health care providers, technicians, the people who draw the blood, and the lab technicians all participating in a way that there is a comfortable exchange of both information services as well as trust. So it is a patient-centered, consumer-driven, provider-friendly system.

Now, the engine to that system has got to be value, has got to be outcome, has got to be results. When I say ''value,'' I really mean almost in simple terms of the product, the outcome, in terms of value, divided by how many dollars you put in. So you want as much health produced per dollar injected into the system. That has to be the engine of this system, and it has to be fueled by three things.

That is where the exciting part comes in. That is where this health information technology plays such an important role. It has to be driven by information, 21st-century information that simply was not around the last century. It really was not around when I was doing heart transplants every week 10 years ago, 12 years ago. You just didn't have that sort of information generated. It was the knowledge revolution, the explosion of information, computers, the Internet. That knowledge is out there today.

The second fuel has to be choice. You have to have people out there making prudent decisions for themselves each and every day. Obviously, that is very consistent with my principles as a Republican in terms of maximizing choice. The 21st-century information, with empowerment of the consumer by choice, and third, some element of control.

The control really comes in if people have to have resources to make those decisions or, if not, need to be assisted. You have to have a strong safety net for a patient-centered, consumer-driven, provider-friendly system based on values, driven by information and choice and technology. You have to have a seamless flow of information which is privacy-protected and which is secure.

No single piece of legislation incorporates all of that, and no single piece of legislation incorporates all the IOM recommendations. But there are things we can do to move in the direction toward that vision.

I have sponsored bills in this Senate and urged industry-wide changes that made considerable progress that caused us to move toward achieving that.

Last summer, on this floor, I publicly called on the pharmaceutical companies to implement a voluntary 2-year restriction on direct-to-consumer advertising for newly released drugs. What is direct-to-consumer advertising? It is what you see on television each night or over the course of today in terms of the drug ads, in magazines. It is the full-blown pictures you see every day—newspaper ads—where the advertising is directly to the consumer, to the individual, to the patient.

What I called upon the pharmaceutical companies to do is to review their procedures and on a voluntary basis give a 2-year restriction on direct-to-consumer advertising for lots of reasons. I will come back do that.

I also publicly asked the GAO, the Government Accountability Office, to analyze the Food and Drug Administration oversight of such advertising. Are we doing enough to make sure that information which comes out to the consumer is filtered appropriately, to make sure it is accurate, that it is honest, that it shows the pluses but also shows the dangers and the weaknesses as well?

Spending on direct-to-consumer advertising and prescription drugs was steady over the years. In recent years, it has skyrocketed. Why? Because you put advertisements out there and people buy the drugs. The problem is, and the reason I brought it up in the Senate and made this public call, this advertising can lead to inappropriate use of drugs using too many of these drugs, using them for the wrong indications, overuse and underuse of the drugs. It could be an underselling of the risks that are actually in a drug. You see all the good things and the beautiful pictures and people running through fields, but at the same time you really do not see the dangers, the side effects that could be harmful, that could compromise your safety, the patient's safety and care.

The good news, based on that call, at least in part, is the pharmaceutical industry responded and I would say responded fairly aggressively. They soon after issued a set of guidelines for prescription drug advertising on newly released drugs. They got together and talked about the importance of their responsibility in this direct-to-consumer advertising, the fact that it is not just to improve their bottom line but it is health care, it is patient-centered, that you have to have the strengths but you have to give weaknesses of these drugs when you put them forward. So I applaud them. And that response is making a difference. That is one example. That is sort of a first step in guaranteeing patient safety and care.

I mentioned the GAO report. It has not come back yet. I look forward to receiving their findings, their results on the FDA's oversight, to come soon.

Other progress: Last summer, we passed the Patient Safety and Quality Improvement Act. It became law July 29, exactly a year ago, 2005. It also contributed to this patient-centered system which is consumer driven. It helps improve the quality and gets rid of the waste. When I say value, that is results, as I said, per dollar of input. You want to maximize that. So you want to get rid of the waste. You want to get rid of the abuse. You want to get rid of inefficiency. And we did a lot in that regard.

What this Patient Safety and Quality Improvement Act did was to help both improve quality and weed out waste by minimizing the fear of litigation. Now, why does that matter? It really comes down to—and I oversimplified it a little bit, but if you are a physician or you are a nurse and you are in a hospital and you make a mistake, and you feel bad about it, you should be able to share that information with other people so they can learn from your mistakes.

Quality improvement: We see it in airlines. We see it in general aviation. But we do not see it in health care—or we didn't before passing this particular bill. What we have been able to do in that particular bill is basically ease—without fear of a lawsuit coming after you. The reason it is not shared is because you know some greedy, predatory trial lawyer is out there and saying: Oh, there is a mistake. Let's go after them. What it does is put a barrier up there so no longer does that individual practitioner, doctor, or nurse have to have the fear of sharing information of an inadvertent mistake so others can learn.

The IOM report's most striking finding was that many providers do fail to report these medication errors that ultimately don't result in an injury. They fear these lawsuits. But without reporting this information, clearly, we cannot learn from our mistakes. That is what the Patient Safety and Quality Improvement Act addressed.

That brings me, finally, to information technology. The Senate passed a health information technology bill. It was bipartisan. I thank Senators KENNEDY and ENZI and CLINTON, all of whom worked with me and all of our colleagues in producing this bill—a bill called the Wired for Health Care Quality Act. What it does is it promotes the use of electronic medical records. It jump-starts America's transition to this 21st century system based on choice and based on value and based on outcomes by having a seamless network that is fully interoperable in terms of the transmission of health information, so doctor can communicate with hospital, can communicate with pharmacy, can communicate with patient in a seamless way, where records can be stored electronically. They can be transmitted electronically. If you are in Nashville, TN, and you live in Princeton, NJ, and you have an automobile accident as you are on I–41 through Nashville and you are taken to Vanderbilt Hospital, they can push a button, and in a secure, privacy-protected way, your record instantaneously shows up at the Vanderbilt emergency room and they can see what allergies you have, what medicines you have, whether you had previous heart disease, whether you can tolerate anesthesia—instantaneously; otherwise, they would have to repeat all those tests. They might not even be able to get that information.

That is the power. What it does is it builds a platform for the interoperable transfer of information—interoperability standards—that has the ability to transform the practice of medicine. That is how big these bills potentially are.

Doctors write about 2 billion prescriptions each year. We still write them, for the most part, by hand. And that spelling, what you look at, unfortunately, is misinterpreted. And as the IOM report documents, a lot of errors are still being made in that transmission of reading what a doctor had written at the pharmacy or at wherever the hospital might be distributing those drugs and then delivering it to the nurse and having the nurse give it to the patient. You get rid of all that—not all of it but most of it—by having that seamless flow of electronic information.

I think back to transplantation. I would have a patient. I would transplant the heart in Nashville and take care of them and have them on a drug called cyclosporine. And they would go back home, maybe 2 or 3 hours away, where another doctor would take care of them. If they got a cold, the local family doctor might put them on erythromycin, not knowing—because transplants were so new at the time—that if you put somebody on cyclosporine on erythromycin, their liver would fail. But it happened. They

may not know that cyclosporine was there. Well, with the electronic transfer of information, that physician would know that patient is on cyclosporine, and it would be instantaneous and immediate. If he wanted to put a patient on erythromycin and tried to prescribe it, a red flag would come up and say: No, you can't do that because the patient is on cyclosporine.

All this makes so much sense. Medical records today are stuck in the stone age. But every other sector of our economy has information presented in what is the information age. It is now time to bring medicine—it is amazing that medicine is still stuck in the stone age—into this information age.

I will close on all this, but, as you can see, I am very excited about it. This particular bill which we passed and which will be married with the House bill helps fix all of that. It is going to go a long way to addressing the concerns that were in this IOM report last week.

Electronic medical records will improve health care. They will promote the secure exchange of privacy-protected information, and they will seamlessly integrate quality standards with information technology, all of which means to say better care, lower costs, greater accessibility, the elimination of waste, elimination of inefficiency as well as the medical errors themselves.

So the House has moved. We have moved. Now it is time to get to conference as soon as we possibly can. And if we do that, we will move our system toward that vision of the patient-centered system which is driven by consumers and 21st century information. It will save lives.

UNANIMOUS-CONSENT REQUEST—H.R. 5683

Mr. SESSIONS. Madam President, I recently introduced a bill to preserve the cross that stands at the center of the Mt. Soledad Veterans Memorial in San Diego, CA, that is under attack by the ACLU to remove the cross. This bill would preserve that cross by having the U.S. Government purchase the property, as it stands, from the city of San Diego. This acquisition is the action that the U.S. Department of Justice tells us is needed to preserve this cross as a part of a memorial that has secular monuments also.

Congressman DUNCAN HUNTER has led the effort in the House. He is a San Diego Representative, chairman of the Armed Services Committee in the House. It passed 349 to 74 in the House. So we are trying to pass that in the Senate. It was called up for clearance by unanimous consent recently—I believe last night—and there was an objection from the Democratic side.

It is time for us to move forward. I don't think there will be overwhelming opposition to it, as there was not in the House of Representatives.

Therefore, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 5683, the House bill, which was received from the House. I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

Mr. NELSON of Florida. I object. It has not been cleared.

The PRESIDING OFFICER. Objection is heard.

Mr. SESSIONS. Madam President, I understand that. I know the Senator from Florida is a strong advocate of veterans. I am sure this represents an objection from the Democratic side somewhere else. I am urging my colleagues to look at this legislation. It is a time-sensitive matter because they have been sued. A Federal judge has ordered that, under California law, a $5,000 fine be imposed daily for failure to take this down, a symbol that has been up in the Mt. Soledad area for 54 years. Justice Kennedy of the U.S. Supreme Court has stayed that penalty to give us a chance to do something like this. I believe it is the right thing to do, and I want to share a few comments about it.

In 1954, this 29-foot cross was erected by the Mt. Soledad Memorial Association to honor veterans of World War I, World War II, and the Korean war. It has stood on Mt. Soledad in San Diego, CA. The memorial now serves to honor American veterans of all wars, not just veterans of World War I, World War II, and Korea.

Since 2000, the memorial association has added significant improvements to the property. The cross is surrounded by six granite walls. They are covered with over 1,600 plaques honoring individual veterans, with surrounding small pillars and brick pavers honoring veterans groups and supporters of the memorial, and community groups. A flagpole proudly flies the American flag.

It is very important that we as a nation understand that we are free today and have the liberties we have because people have sacrificed. Our Nation is still able—although some apparently around the world may not be—to call on its people to sacrifice for a common national good, and all over America veterans groups and community action groups have created memorials since the beginning of the Republic to honor those who place their lives at risk for the liberty we are so happy to have today.

It was not until 1989 that any person challenged the legality of this monument. At that time, Philip Paulson, a San Diego resident, sued the city, claiming that the cross display was unconstitutional and violated his civil rights.

In 1991, a Federal judge agreed with him and prohibited the display of the cross on city property as a violation of the California Constitution, which guarantees the ''free exercise and enjoyment of religion without discrimination or preference.'' That is different from the language we have in the U.S. Constitution. So the city attempted to meet the court's demand and protect the integrity of the memorial by selling or donating the property to a private party. But Mr. Paulson challenged every potential transfer of the property to a private party, revealing that his true objection was not to the city's ownership of the display but to the cross itself—something he personally did not like.

In 1992, 76 percent of the people of San Diego, CA, showed their support for keeping the cross at the Mount Soledad Veterans Memorial by voting to support ''Proposition F'' to authorize the city to transfer the property to a private nonprofit organization, so it would not implicate public matters. What is wrong with that?

After Proposition F passed, the memorial association did successfully bid for the property. It chose to keep the cross up but also made $1 million worth of significant improvements to the memorial, including the granite walls, plaques, pavers, flagpole, and American flag. Even after the improvements were completed, Mr. Paulson was still challenging the sale.

In 2002, the Ninth Circuit Court of Appeals on the west coast—considered the most activist circuit of all in the country and the most reversed by the U.S. Supreme Court—found that the method of the sale violated the ''no aid to religion clause'' of the California State constitution. They transferred it to a private, nonprofit, nonreligious organization, but they said this aided religion.

I believe this is something on which we can all agree. I know the Senators from California, Senators FEINSTEIN and BOXER, have indicated they believe this memorial should remain. I think we will be able to work through these difficulties and get this legislation passed.

Mr. President, following up on the Mount Soledad Memorial legislation to deal with the court ruling that has imposed a $5,000 fine per day on the city of San Diego, a ruling stayed by Justice Kennedy on the U.S. Supreme Court, that ruling deals with the cross that was maintained by the Mt. Soledad Memorial Association on property originally owned by the city of San Diego. Some 35 years after it was placed there, someone objected, and the city sold the property to the memorial association, putting it in the hands of a nongovernmental, private entity.

As a result of that action, a lawsuit was commenced anyway and still said it was improper, and the court reached a ruling that was sort of breathtaking and said they still couldn't do it. I would note that in 1992, 76 percent of the people in San Diego voted to support keeping the cross there, and voted